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The Industry's Viewpoint Toward Motor Freight Line Competition

*Opinions of Storage Executives Indicate Recognition of the
Importance of This Evolution in Distribution*

By KENT B. STILES

FOR the fourth successive month *Distribution and Warehousing* touches on a subject which it considers of extreme importance to the merchandise warehouse industry of the United States—the development of motor freight line competition.

In previous articles it has been shown that this competition is here today, and that it is serious. It has been pointed out that motor freight lines are erecting commercial storage plants; that they are taking shippers' accounts away from established warehouses; that they have made heavy inroads on the warehouse industry's pool car distribution and local cartage revenue; that motor freight line depots, which are potential warehouses, are being erected in cities in all parts of the country.

All this has been brought out by storage executives who answered a questionnaire which *Distribution and Warehousing* broadcast to the entire commercial warehouse industry early in September. Ten specific questions were asked, and several hundred responses were returned. A summary of these replies was published

last month, and their tenor indicated unmistakably that the industry recognizes the situation as a paramount one.

Some of the warehousemen did more than answer the ten questions. They wrote at length, expressing opinions and viewpoints. Last month's article was confined to the replies to the ten queries. This month some of the supplementary opinions and viewpoints are quoted from. In the January issue of *Distribution and Warehousing* further ones will be published.

In next month's article, also, an attempt will be made to summarize the whole situation as developed by the replies from the hundreds of storage executives who regarded the existing motor freight line competition of sufficient significance to warrant them taking the time to answer the questionnaire to the end that the industry might have a consensus of warehousing's convictions as to what is developing and as to how the "menace," if it may be called that, may be met.

Following is the first section of the supplementary opinions and viewpoints:

P. F. ARNOLD, president of the Cole P. Teaming Warehouse Co., Providence, R. I., believes that *Distribution and Warehousing* is "thinking along right and sane lines for the future" and that "it would almost seem that in a comparatively short time it is going to be a case of the survival of the fittest" because "the railroads and big transportation companies are fighting for an existence and a maintenance of their freight lines for the long haul." He goes on:

"They are going to endeavor to make

the motor truck a feeder for the short hauls; and also, because of the shortening up of the freight business through their freight terminals on short haul work, it has thrown upon their hands unused space which they are renting for storage purposes at ridiculously low rates, which of course is mighty unfair competition to the legitimate warehousemen."

It is useless for the warehouseman "to cry baby to the manufacturer," Mr. Arnold holds; instead he must "devise some means whereby he can cope with

this situation, either by a service which the railroads cannot furnish or some other method yet undiscovered."

The position of the distribution warehouse becomes "more perilous each year," in the opinion of F. S. Shafer, secretary of the Essex Warehouse Co., Newark, and secretary of the New Jersey Merchandise Warehousemen's Association.

"Steps must be taken to safeguard our interests," Mr. Shafer writes. "Our principal concern at present is the numerous railroad or railroad-controlled

Milwaukee Terminal Handles Storage "as an Accommodation"

THE Motor Transport Co., 392 Barclay Street, Milwaukee, in business the past ten years, has a warehouse used principally for interchange of freight between its own truck line and other motor freight carriers to which the company rents space in the building. Motor Transport is not engaged in the general storage business, but, writes George H. Tiernan, president:

"We do handle some storage as an accommodation to people we serve."

Operating thirty trucks, and under the jurisdiction of the Wisconsin Railroad Commission, Motor Transport does not engage in pool car distribution or city cartage, Mr. Tiernan states, "but are contemplating going into the city transfer and cartage business within the near future."

warehouses offering space rental at ridiculously low rates to secure favorable routing. Eventually and too soon we fear the railroad interests will make competition very severe, as soon as a method is found which will enable them to enter the motor truck distribution field.

"The organization and control of motor freight lines should be in the hands of the warehouse industry, and we are sufficiently interested to cooperate."

Motor service in connection with the warehouse "is practically a necessity," believes Albert B. Drake, secretary of the Lehigh Warehouse & Transportation Co., Newark.

While motor freight lines have done "considerable harm to warehousing," writes Edwin Morton, treasurer of the Baltimore & Ohio Stores, Inc., New York, "all this has about reached its limit and is likely to grow better rather than worse," as many of the lines "have found that their charges are entirely too low and that they were actually losing money."

A cooperative motor freight service by warehousemen "would prove topheavy and eventually collapse," in Mr. Morton's opinion. He advocates some form of public utility control of warehousing such as that in California or in Minnesota. "This," he declares, "would stabilize the business, weed out the weak and irresponsible members, and make it more difficult and expensive for any greenhorn to enter the field. . . . This seems to me the salvation of the industry."

The motor freight line situation is one which is "rapidly becoming one that is most vital to the average merchandise warehouseman," in the belief of R. M. King, president of King Storage Warehouse, Inc., Syracuse, N. Y., and president of the Central New York Warehousemen's Club.

"In working out any plan between existing truck lines and the warehouse-

men," Mr. King declares, "The big question is, should the shipper pay for delivery to the truck terminal and thereby receive a lower rate from the truck line, or should the truck lines pay the warehousemen as agent for the shipper for making delivery to the truck line terminal?"

"Where the truck terminal is located in a merchandise warehouse building this is simple enough for the particular warehouseman in whose building the terminal is located, but in working out a cooperative plan it is not so easy to give the same advantage to the other warehousemen."

"Our own company, and I assume many others are doing likewise, are now giving our customers just as complete a service as could be given if we owned or controlled the truck lines. We make all arrangements with the truck line, we attend to the marking, make bill of lading, checking returns and prepaying freight, to say nothing of the numerous other details connected with the follow-up to see that proper service is given. We are receiving nothing in return and have lost our cartage revenue which carried a large portion of the shipping room expense. We have been put to greater expense because it has required a larger shipping force to wait on 10 or 15 truck lines per day than it would to route the same amount of tonnage via our own trucks to rail terminals."

"The sad part of it is that very few of our customers seem to appreciate what we are giving and feel that our regular handling charges that have been almost the same for the past 10 years should amply cover this service."

"No matter how you look at this situation, there is one danger which is very grave and that is the giving of free warehousing in order to secure the hauling volume. This will be the worst form of competition that will be given by terminal companies and a competition that a modern warehouse plant could not meet."

"I have come to the conclusion that one of two ways must be followed. The first is that a group of warehouses serving a territory, together with a group of responsible truck line operators, must organize on some basis which will be of mutual advantage to both parties. They can then operate a central terminal at a large center with pick-up trucks bringing the freight to the terminal and leaving the line haul truck free to carry maximum loads on a fixed schedule, using the smaller warehouses in the other towns as distribution terminals from which receivers can either call for their freight or for which store door deliveries can be made."

"The other plan will require either individual or group warehouse ownership in trucks and active competition over profitable routes. This plan I would prefer not to follow unless it was necessary as a protective measure and as a move to force some sort of cooperation from existing truck lines."

"In any event motor freight service should be on a classified basis with a schedule of rates that would give the

shipper and consignee the option of pick-up and store door delivery or terminal-to-terminal service only. Of course, this whole problem is made more complicated by the fact that there is no rate standard and practically no attempt by truckmen as a whole to work out a scientific rate structure. You no doubt realize this fully and you know too that a lot of the truckmen are a type that never will work out anything of this kind unless some legislation could be brought about fixing their rates. So as it stands at present it is anybody's scrap and a dog-eat-dog proposition."

Robert R. Johnson, president of the Johnson Transfer & Fuel Co., Bloomington, Ill., believes that if a group of warehousemen owned and operated a motor freight line on a cooperative basis "there would be an immediate battle on through financial backing of the steam railroads to carry on their business and it might mean a serious disaster for undertaking such."

Mr. Johnson brings up "another factor"—the chain stores, such as Kresges, Woolworth, Sears Roebuck, Piggly Wiggly, Kroger, etc. "Where it is going to end and what will be the result, no man knoweth," he comments. "Wholesale grocers are at sea to know what to do. My conclusion is that the automobile and motor truck have set the country on fire and we are drifting somewhere, but where we will land I know not but we hope for the best."

There is no question but that motor freight lines are here to stay, but "at the rate at which they have been going bankrupt it is shown that they are not charging enough to make a profit," in the opinion of H. M. Weber, president of the Weber Storage & Distributing Co., Chicago, "and the only business on which they are able to make a profit is the business where they can pick up at one stock and obtain a full load."

"The time is coming when a company will open up a depot for handling of freight for motor transport lines. Merchandise will be delivered to this depot by the customer and all motor transport trucks will leave direct from it, not making pick-ups at this end."

The Mitchell Sales & Storage Co.,

Chicago Motor Freight Terminal Has Available Warehouse Space

THE Consolidated Motor Freight Terminal, Inc., established in 1929, and located at 1800 South Wentworth Avenue, Chicago, operates a six-story sprinkler-equipped brick building formerly occupied by a soap firm, and each floor contains approximately 7000 square feet, "all of which is available for warehousing," according to B. F. Johnson, the terminal organization's president.

Twelve inter-city motor truck lines, most of them long established, and all of them bonded and insured, radiate from this motor freight terminal with space available for warehousing.

Knoxville Firm Takes Action!

WHEN Eugene Gaylon, president of the Knoxville Fireproof Storage Co., received Distribution and Warehousing's motor freight line questionnaire, early in September, he wrote in part:

"You will never know how pleased I was to receive your letter, for we have been debating whether to erect, in connection with our warehouse, a small motor freight terminal or a large, modern and up-to-date one.

"Your letter this morning made the decision for me and I am leaving Monday for a trip, visiting several modern terminals near here that are profitably operating, to get such information as I can on the construction, operation and management of a modern freight terminal."

Two months pass.

On Nov. 12 there was recorded in the office of Ernest N. Haston, Tennessee's Secretary of State, a charter application for the following:

Motor Freight Line Corporation, Knoxville, capitalized at \$100,000, with Eugene Gaylon, V. L. Nicholson, James H. Cooper, Elsie A. Schettler and G. Raleigh Harrison as the incorporators.

This is the holding company for a motor freight terminal to be built at Randolph and Depot Streets, Knoxville. Mr. Gaylon is president of the new firm and Mr. Nicholson is vice-president.

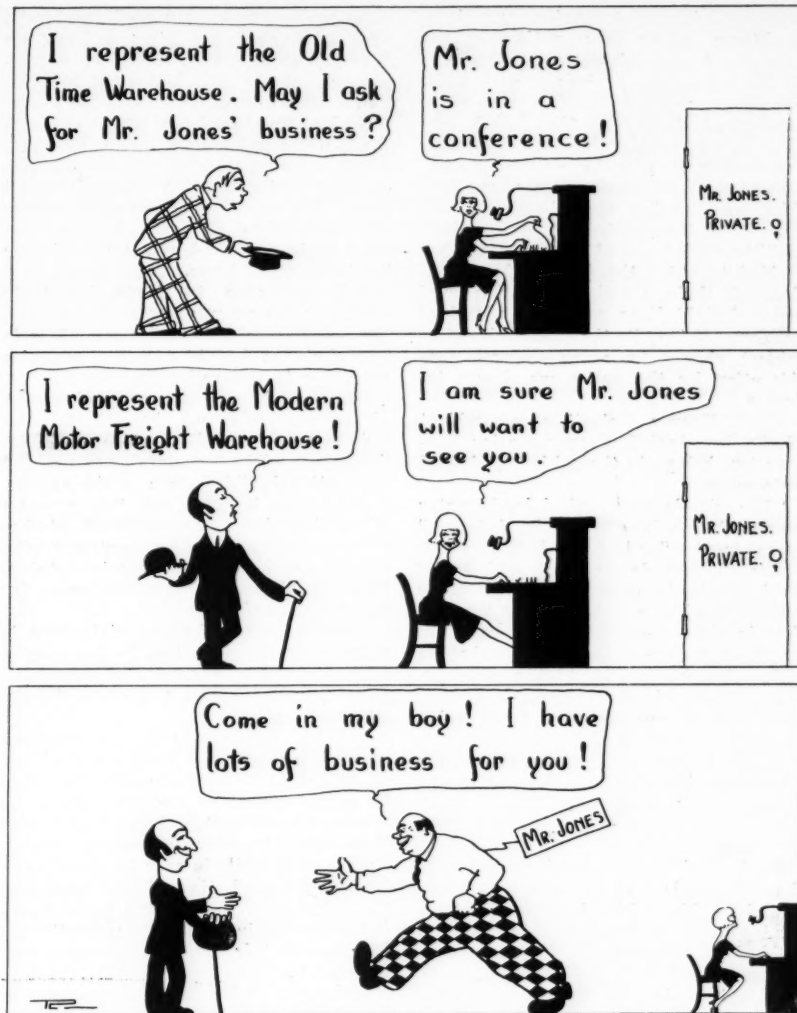
Mr. Gaylon expects that from 100 to 200 motor trucks will operate out of the depot when completed. They will not be operated by the terminal company itself.

Fort Wayne, Ind., which has conducted motor freight line operation for the past nine months, finds "a growing demand on the part of retailers" for motor truck distribution, according to J. R. Mitchell, the firm's president, and considers such a line "a valuable asset."

"We realize that a serious situation is facing us," writes E. E. Harris, manager of the Henry Coburn Storage & Warehouse Co., Indianapolis.

Frank A. Todd, manager of the Indianapolis Warehouse Co., Inc., declares that "as long as there are inexperienced truckmen who anticipate making a fortune there will be more or less competition of this kind." He adds:

"The gross revenue by trucks for picking up, assembling and delivering to destination is based on the railroad company's freight rates as per classification," alluding to the motor transport companies in Indianapolis. "The revenue is possibly profitable if a return load from the outside was assured. The return of the equipment empty uses up all possible profit, with a result of the retirement of the service in a short time. Our shipping department finds that on calling up the offices of different truck companies they have gone out of business, and we make shipments by traction or steam road."



In the opinion of I. C. Strohm, president of the Strohm Warehouse & Cartage Co., Indianapolis, "motor transportation will never be successful financially by picking up freight and delivering freight as store door delivery at what is common for freight rate, as this picking up and delivering is an item of its own. The lines running out of here are making a very little profit. They are changing owners from time to time and we believe this is caused by conditions of small earnings. . . . There is no great scare of the motor trucks hurting the general merchandise warehouses until there are some very large changes made to give the operators better earning power."

The experience of the Battle Creek Storage Co., Battle Creek, Mich., according to Mahlon L. Gore, is that "national distributors after trying the motor freight lines soon go back to shipping by rail and warehousing their merchandise as before."

Unless something is done "we undoubtedly in time will lose some warehouse business," believes Charles J. Foster, manager of the Cadillac Storage

& Transfer Co., Cadillac, Mich., who continues:

"In order to protect the warehousemen throughout the country a merger could be made with truck hauling companies—something similar to the merger now being established by railroads. Undoubtedly this could be handled successfully by the Allied Van Lines.

"This is a very serious situation and for the past year we have been giving it considerable thought. It is a question that cannot be answered or controlled in any other manner than by a large corporation, the stock of which could be owned by the warehousemen. I am not in favor of a cooperative company as I do not believe that they function 100 per cent."

In Detroit two members of the local association operate motor freight lines and have warehouses, according to James D. Dunn, president of the Riverside Storage & Cartage Co., who goes on:

"Motor freight lines are a form of transportation and as far as I have observed are used by all warehouses, the same as railroads or boat lines. By working closely with the present motor

lines, warehouse companies may defer conditions which you anticipate are coming. A close tie-up with some particular motor line, or lines, or a cooperative line operated by the warehouse companies, similar to the Allied Van Lines as operated by the household goods warehouses, may be the proper action.

"The great railroad systems may consider warehousing and distribution all a part of transportation. With their facilities and financial resources, if they decided to enter the field the combination of their warehouses, rails and motor freight lines would be a serious problem. It is quite time that this entire subject should be given earnest consideration by the entire warehouse industry."

H. T. Hoopes, Detroit, vice-president of the Terminal & Transportation Corporation, brings in the subject of inland waterways.

"The development of inland water transportation is only in its infancy," he comments, "and in the district which we serve that development will be of much greater importance than the motor freight development, because of the fact that in these territories the population is not of sufficient density to make the motor freight service highly effective. . . . The development of motor freight lines will of course be of great value as short distance feeders for the future and this will prove true not only for the warehouse business but for the water transportation lines and the railroads."

Rail Control

B. C. Hubbard, general manager of the Richards Storage Corporation, Grand Rapids, Mich., declares that railroad control of distribution will be "a marked disadvantage" to warehouse companies but that the latter "must all realize that in the march of human progress, if we do not keep up we are lost." His company would be glad, he says, "to take any concerted steps with other companies to meet this situation."

Future distribution of merchandise, according to H. H. Hardy, general manager of the Fireproof Storage Co., Lansing, Mich., "will be made by consolidated carloads of either one kind or various kinds, and forwarded to a central point and there turned over to motor truck lines for final distribution, as this saves one and perhaps two cartage charges because freight lines will pick up the goods from the car and make store door delivery." It would seem, he believes, "that the warehouse would fit into this picture by being the recipient of the carloads and being the one to distribute the carloads to the truck lines."

The same study which American manufacturers have given to mass production will be given by national distributors to the economical distribution of their products from factory to consumer, points out Montford W. Fay, president of the Fort Wayne Storage Co., Fort Wayne, Ind., thus eliminating all waste motion consistent with reliable service, the study of which should have "the earnest support of all warehousemen." Mr. Fay continues:

"If motor truck lines go into storage and distribution, possibly the American Warehousemen's Association, or a combination of the A. W. A. and the National Furniture Warehousemen's Association, could devise a plan similar to the Allied Van Lines of the N. F. W. A. which would protect them from motor truck competition. The railroads in all probability would not enter the business of merchandise storage. In the first place their charter does not provide for the handling of storage, and again they would not care to jeopardize their relation with warehousemen throughout the country, who influence considerable long distance freight business which is profitable to the railroads.

"It might be well to get the viewpoint of the railroads and the national distributors in regard to store door delivery. Possibly the warehousemen and the national distributors could appoint a committee to work out this problem of cutting down the overhead of distribution of merchandise consistent with reliable service. Lower cost in distribution would mean more business for warehousemen."

Taxation for highway maintenance is a factor in the situation, in the opinion of F. W. Berry, manager of the Baltimore & Ohio Warehouse Co., Cincinnati, who writes:

"I look for regulation of trucking companies, same as railroads, and, if this is the case, I do not believe the trucking is going to affect the warehouses so much. There is still the carload traffic that the trucking company cannot handle, and while it may be able to cut in on the distribution of pool cars, and the delivery of goods from some warehouse at certain points, there is still the business that is handled through warehouses—that is, for local delivery—and it is hardly likely that a storer of goods would split up his account, part in a warehouse for local deliveries and part in another warehouse for out of town deliveries. The trucking company will not want the storage business if it cannot get the hauling, and there are any number of concerns which do their own hauling and would not use the trucking company.

"The entire matter seems to me one that could be remedied if the trucking companies were to have to pay for this operation, according to the tonnage hauled and the use of the highways, for a revenue purpose.

Legislation Needed

"If you cross the Gandy bridge in Florida, going from Tampa to St. Petersburg, you pay a good stiff price. Why? Because it was built at an expense to some company, just the same as the railroads and highways are built, the railroads by private capital, the highways by taxpayers. If it were not for the heavy hauling on the public roads the highways would last much longer and the up-keep would be a great deal less. It is no secret where the roads suffer their damage, and I repeat that I believe there will be some legislation to govern this, which will reflect on the

motor trucks now operating and on the contemplated operation."

Motor freight lines are here to stay and eventually there must be regulation to protect the owners as well as the public, believes W. R. Thomas, vice-president of the Lincoln Storage Co., Cleveland, who continues:

"At present, due to competition, very little profit is made, if any. This situation must be eliminated to give the class of service the public wants.

"Truck owners are in the same position today as the railroads were before the existence of the I. C. C. While Federal control is a big question, I believe it can be worked out, but there must be uniformity in rates and States' regulations, and any violations should be reported to the State where they are certificated, for necessary action, as the usual freight line or hauler has not the finances to lobby at some far distant city."

J. W. Peoples, manager of the Merchants Transfer Co., Marion, Ohio, sees "a general trend" toward motor freight distribution of warehouse stocks, and he believes it would be practicable for a group of warehouses within a 200-mile or 300-mile circle to own and operate motor freight lines on a cooperative basis, "as it would enhance their possibilities for more business."

(To be concluded next month)

Sisser Bros.' Fourth Unit Opens, in New Brunswick, N. J.

The New Brunswick, N. J., warehouse of Sisser Bros., was formally opened on the evening of Nov. 14 in the presence of about 350 invited guests, including many persons active politically in New Jersey. The entire second floor, which is to be converted into separate offices, was turned into a banquet hall profusely decorated with autumn flowers and the national emblem. During the luncheon Broadway talent entertained the guests.

Among the speakers were J. J. Morrison, mayor of New Brunswick; T. H. Flockart, mayor of Somerville; Charles H. Fetterly, mayor of Bound Brook; former United States Senator Frelinghuysen, and Clarence E. Case, a New Jersey Supreme Court justice. Justice Case touched on the advantages offered to the American boy with initiative and ambition, as illustrated by the success of the Sisser brothers.

Fred Sisser, as host, addressed the guests briefly, as did George S. Kingsley, New York, the architect.

The New Brunswick plant, the fourth unit in the Sisser chain, was described and illustrated in the June, 1929, issue of *Distribution and Warehousing*. The other three warehouses are in Somerville, the company's headquarters, and Plainfield, N. J., and New York City.

New Boston Firm

The Boston Forwarding & Transfer Co. has been organized with a capital of 250 shares of no par value stock. The incorporators are Harold V. Tillson of Arlington, Eugene F. Carver, Jr., of Brookline and Marion Hickey of Boston.

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Packing Goods to Ship—Its Importance on Costs The Problem of Thwarting Pilferage

By H. A. HARING

THE method of packing goods has a direct bearing on the cost of the freight. It influences the "classification" of the merchandise for determination of the freight rate, as a matter of first importance, and it influences the loss and damage, as a second matter of almost equal value.

As an illustration of the first, let us consider refrigerators. These are rated as first class freight, when shipped less-than-carload, if "set up" and merely wrapped. If, however, they be padded with excelsior and wrapped with burlap (tops, ends and fronts being completely covered with a sufficient quantity of excelsior to form a substantial cushion or pad), they are rated second class. A second class rating is also given this commodity when packed in boxes or crates, or in fibre board packages or on skids. Furthermore, a third class rating is given for determin-

ing the freight if the same refrigerators are "knocked down" and shipped in boxes, bundles or crates. When shipped in carload quantities, regardless of the manner of packing, the rate becomes fourth class.

As another illustration of the relation of packing to freight rates is the familiar commodity of furniture.

For furniture, the railroads have laid down elaborate rules. Unless the furniture is packed closely in accordance with these rules, the freight will be rated one class higher than would otherwise be the case. Tables, for example, when shipped "set up," rate three times first class. If "knocked down," the rating may be as low as first class, or double first class. Sometimes they may be "nested" in crates in a manner so as to yield a rate one-third less than first class.

Carriers' Rules on Packing

THE railroads have elaborate rules as to packing, which often come to notice only when a claim has been filed and the shipper told that he has sacrificed his right to reimbursement through his own faulty packaging, or his neglect in marking the container.

Rules 40 and 41 of the Consolidated Classification contain the regulations for construction and sealing of containers. It is, for example, herein provided that boxes may be made of iron, steel, wood, or fibre board of certain specified strength; the sides must be solid or closely fitted; the ends must be securely fastened. Wooden boxes of unusual size, or carrying unusual weight, must be strapped or be reinforced by cleats. When shipped in fibre boxes, goods will not be given the same rating as allowed for wooden boxes unless the requirements of the carriers are complied with in reference to the number of plies, the thickness of each, the resistance per square inch, etc. The fibre container must also bear a certificate of the box-maker. Should the fibre box not comply with these requirements, a 20 per cent increase in the

freight rate is assessed. Intending purchasers of fibre boxes should, therefore, require that the manufacturer furnish a statement of the specifications on which the container has been made.

Of recent years shippers have learned the value of metal strapping or wire binding on containers, somewhat after the fashion of shippers in foreign countries. Such strappings reduce damage in transit. They also diminish the risk of concealed, unlocated and pilferage losses.

The shipper, too, is liable for errors in marking his packages. A common difficulty is a "conflict between destinations"—one being shown on the bill of lading and a different one appearing on the package itself. The Interstate Commerce Commission has ruled that if the shipper prepares a bill of lading which shows a destination other than that marked on his package, and if the shipment goes astray or reaches a wrong destination, the shipper must stand the loss of delayed delivery, or of loss consequential to that delay, or reshipment to intended destination together with storage charges, if any.

Among the more common causes for the refusal of shipments by the railroads,

so far as packing and marking are concerned, may be listed the following:

1. Cartons not sealed, or improperly sealed.
2. Package already leaking.
3. Insufficient nails.
4. Loose boards.
5. Package already broken open or showing contents.
6. Package too fragile.
7. Contents rattling or obviously loose within.
8. Shipment improperly marked.
9. Shipment not marked at all, or certain packages not marked at all.
10. Marks illegible, or uncertain.
11. Old marks not erased.
12. Improper tags.
13. Tags improperly, or carelessly, attached.

Problem of Economical Packing

SPEED is essential in modern transportation. The consignee demands quick deliveries. The consignor must ship his product over those lines which give the customer the required service. Increased speed in transit means longer and heavier trains, faster operation in the classification yards of the terminals,

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as cars are segregated for various destinations. It also means quicker handling of packages at receiving, transfer and delivery points. Every step in our transportation, in brief, has been speeded up, with the result that rough handling is at a premium. More than that, however, rough handling at all times is but a necessary part of modern shipping.

To meet this situation the transportation companies have built larger and heavier locomotives, larger and heavier freight cars. They have expanded yard, transfer and terminal facilities. Steamship lines, as well as river barge companies, have done a similar thing. Shippers, at the same time, have studied to cut down their shipping and packing costs, because they have been compelled to shave off every penny in the cost of marketing goods. Packing goods for shipment is looked upon as a cost, and, only too often, to save in packing is laid on some foreman who is untaught in the science of proper packing and unfamiliar with proper methods for getting his employer's product to customer in best condition.

Every package, accordingly, presents a problem which can properly be solved only by someone trained and experienced. Any intelligent person can devise a container, and a method of packing, which will be strong enough to insure safe arrival of the contents at destination, but the packaging will probably be uneconomical. In commerce, however, the package must be both things: (1) safe and sufficient, and (2) reasonably economical. Any man, on the other hand, who is sufficiently indifferent to his employer's interests can cut shipping costs by reducing the strength of the container, but, of course, the result will be goods lost in transit or damaged in handling or unsatisfactory to the customer.

The problem of shipping containers is one worthy of the attention of the chief executive. An investigation, for example, by the Freight Container Bureau into the subject of damaged packages and their causes, showed that in the case of boxes (which comprise well over 50 per cent of all packages shipped in this country) one out of every 55 boxes shipped required recuperage in transit; and nearly 2 per cent of the boxes reached the consignees in damaged condition. Frequently these damages are directly caused by faulty construction of the shipping container.

Causes of Loss in Shipment

THE following are the most common causes of loss in shipment of goods.

1. Improper design of container.
2. Insufficient nailing.
3. Lack of cushioning or packing material.
4. Inadequate or careless closing methods for the container.

5. Lack of tight interior packing.
6. Overloading the container.
7. Re-use of containers not built or intended for such re-use as is made.
8. Crating with insufficient material.
9. Inadequate nailing of crates, lack of diagonal bracing, etc.

Lighter Shipping Cases and the Carload Minimum

IN the use of fibre containers the gross weight of the package is reduced. The freight rate, in America but not abroad and not for ocean shipment, is calculated on the gross weight of contents plus container. By the use, accordingly, of fibre board the total weight is made less. The freight rate is correspondingly lower. For less-than-carload shipment this reduction benefits the shipper—this being the great reason for the popularity of the fibre board container.

When shipment occurs, however, in carloads, this reduced weight must be taken into consideration for the reason that a "carload" packed in fibre carries a greater total of the goods than a "carload" packed in wood. In industries where the "carload" has become the unit of sale, an immediate difference enters into the amount of each transaction.

A good illustration is found in canned food products. For goods packed in fibre, the gross weight of each package is less. Yet the railroads' minimum loading, expressed in pounds of gross weight, does not change. It therefore follows that the number of cases of the goods—the quantity purchased by the receiver—must be increased. In other words, more of the goods are required to make up a "carload" than formerly. Whereas 1,000 cases, packed in wood, might previously have constituted a "carload," it may require 1,250, packed in fibre, for the same quantity thus expressed.

Taking a concrete example, the railroads' minimum loading for canned salmon, for the carload freight rate, is 37,000 pounds. During 1928 the Alaskan packers of salmon reduced the weight of their wood containers and also largely adopted fibre containers. This made changes in the number of cases to the carload, as indicated below:

| | | |
|--------------------|-------|-----------|
| Talls | Wood | 1150 |
| | Fibre | 1250 |
| Flats | Wood | No change |
| Halves | Wood | 2027 |
| For water shipment | | |
| Talls | Wood | 530 |
| | Fibre | 572 |
| Flats | Wood | No change |
| Halves | Wood | 950 |

Pilferage

PILFERAGE, another source of loss, is worthy of attention. Valuable goods, or goods easy to use or dispose of, are especially susceptible to theft. Preventive measures will result in great saving in many instances. Among most effective means of insuring safe delivery of goods to the customer are:

1. Metal straps.
2. Private paper seals.
3. Cords and seals.
4. Special sealing devices.

It is unprofitable to "sell" to transportation companies through the medium of claims, goods which the customer has ordered, wants, and must have to use in his business.

Necessary Information

GENERAL items of information in regard to shipping containers which should be appreciated by executives are the following:

1. Selection of proper shipping containers and the proper packing of goods therein is a science of far-reaching importance and should be supervised by a competent man.

2. Container and packing costs can be reduced without reducing efficiency but can not be reduced simply by buying the cheapest container. A cheap container may prove costly in the long run.

3. The United States Government maintains an organization, at the Forest Products Laboratory, where instructions in boxing and crating are given at appropriate times. Attendance at these courses by employees responsible for packing and shipping is recommended.

The Forest Products Laboratory

THIS Forest Products Laboratory is maintained by the Department of Agriculture in cooperation with the University of Wisconsin at Madison, Wis. Although primarily an institution for research, the Forest Products Laboratory has also as one of its primary functions the task of getting into use the knowledge and the processes it discovers. It has gathered much useful information on the properties of wood, on the manufacture and use of wood products, etc. A large part of the field for the practical application of this knowledge is in the industries. The economical use of wood is of large importance not only to the nation as a whole, threatened with the consequences of forest depletion, but also to the industries which will benefit by improved practices and by the saving of raw material.

The Laboratory publishes the results of its research in bulletins, technical notes, and articles in trade publications. It also employs correspondence and personal contact for the same purpose. In still other instances it has found its greatest success in personal instruction, by which manufacturers, trade specialists, shippers, salesmen, and consumers meet at the laboratory in Madison for demonstrations, tests, lectures and study, and discussion of individual problems. Demonstration courses are given in the kiln-drying of lumber, boxing and crating, gluing of wood, and wood properties and uses. The instruction in these subjects aims to give not only basic

DISTRIBUTION

Its Economic Relation to Public Warehousing

knowledge but its practical application to everyday problems.

That these demonstration courses are a feasible means for such practical application is evidenced by letters from many men who have attended the courses and from the companies they represent, telling of problems solved by the knowledge gained at the Laboratory.

As each course fully occupies the time of the person enrolled, it is impracticable to take more than one course at a time. Stress is laid on the practical aspects of the subject, so that no one need hesitate to enroll because of a lack of formal education or technical training.

These courses are usually offered twice a year. The Laboratory finds, however, that its regular research work and the limitation of funds available often compel a postponement of courses in instruction. This happened in 1928; but courses were again offered in 1929. In that case each course is offered only once each twelve months.

Inasmuch as the Laboratory lacks funds to meet all the costs even for studying the most urgent problems of packing research, a "cooperative charge" is made to cover the cost of the demonstration courses. The cooperative charge for each man enrolled into the various courses is the following:

| | |
|---|-------|
| Kiln drying (two weeks course)..... | \$150 |
| Boxing and crating (one week course)..... | 100 |
| (Gluing of wood (one week course)..... | 100 |
| Wood properties and their uses (one week course)..... | 100 |

The nationally-known names of companies which have enrolled their men for these courses make a most imposing list of recommendations for the work done.

Association Helps

SOME associations of manufacturers of shipping containers maintain laboratories to assist in solving the shipping problems of their members and their customers. A few of these associations are:

- National Association of Wooden Box Manufacturers, 111 West Washington St., Chicago.
- Paper Board Industries Association, 608 S. Dearborn St., Chicago.
- Wirebound Box Manufacturers' Association, 111 W. Washington St., Chicago.
- Plywood Box Manufacturers' Association of America, 260 Tremont St., Boston.
- Associated Cooperage Industry of America, Railway Exchange Building, St. Louis.
- Textile Bag Manufacturers' Association, Stormseltz Bldg., Detroit.
- Standard Container Manufacturers, Realty Bldg., Jacksonville, Fla.
- Western Pine Manufacturers' Association Box Bureau, Yeon Bldg., Portland, Ore.
- National Association of Gunned Tape Manufacturers, 18 East 41st St., New York.
- Steel Barrel Institute, Bulkley Bldg., Cleveland, Ohio.
- Folding Box Manufacturers' Association, 19 West 44th St., New York.
- The Glass Container Association, 22 East 75th St., New York.

The Container Club, 608 S. Dearborn St., Chicago.
Canadian Paper Box Manufacturers' Association, 21 King St., East, Toronto, Ontario.

Many large manufacturers of shipping containers have a special department organized to consult with and assist their customers in the development of containers which will be efficient but not exorbitant in price.

Numerous commercial organizations are capable of surveying a plant's shipping conditions and recommending improved methods if necessary, and may be engaged to render this service.

Laboratory tests on a new or improved container are preferable to a "try-out" in actual use. In the Laboratory each weakness can be quickly detected and corrected and the investigation completed at once, while shipping tests must extend over a long period of time and at the end may be inconclusive.

Commercial container testing laboratories available are:

The Container Testing Laboratories, Rockaway, N. J.
The Don L. Onum Co., 609 N. LaSalle St., Chicago.

The container and packing used frequently influence the selling of the goods, especially those of a highly competitive nature. This fact alone warrants a study of the shipping problem, which may also indicate where improvements and savings may be made.

The Freight Container Bureau

THE American Railway Association in 1921 established a corps of engineers for the purpose of helping shippers to obtain the least expensive and most efficient packing of goods for shipment. The transportation losses are ultimately paid by the shipper in the form of the freight rate, which, in the end, must be so adjusted as to cover loss and damage as well as carriage of the goods. This engineering department of the railways is The Freight Container Bureau, 30 Vesey Street, New York.

This Bureau is making a series of studies into the packing of various commodities for shipment. It makes recommendations based (1) on the requirements of the freight tariffs and classifications; (2) on the demands of the nature of the commodity and the necessities of manufacturers thereof; and (3) on a reasonable combination of cost and efficiency for the container.

These recommendations are intended to serve as signboards to show the best method of packing to those who desire to deliver their shipments to customers in good condition, thereby avoiding the expense and delay and dissatisfactions necessarily incident to the filing and collecting of claims for loss and damage.

The Bureau has aimed to minimize losses due to inefficient containers through two methods:

1. Develop a knowledge of what a container should be and crystallize this knowledge into a standard specification.
2. Inform shippers of this specification and secure their confidence in its reasonableness from the double standpoint efficiency and cost.

The functions of the Bureau do not include compelling the adoption of its recommendations either by the carriers, in their tariffs, or by the shippers. Its function is purely advisory. Its facilities are available to shippers, either for individual problems of a single manufacturer or for associations and group investigations. The Bureau has conducted intensive studies into packing methods of specific commodities for carload and less-than-carloads alike, as well as of most effective bracing and stowing within cars. The studies have touched, also, best methods of unloading cars and of unpacking containers.

The Freight Container Bureau is always willing to assist shippers in their packing and crating problems, with the object of eliminating as much of the loss and damage as possible. The engineers of the Bureau give to shippers the benefit of not only their technical training but also of their practical and varied experience gained in many parts of the country during the conduct of their studies.

Classes of Shippers

THE Bureau has found that shippers may be divided approximately into three classes:

1. Those who insist on efficiency in their containers without limiting this efficiency to the minimum requirements of the tariffs.
2. Those who limit the efficiency of their containers to the minimum requirements of the tariffs.
3. Those who consider only the cost and are willing to disregard the minimum requirements of the tariff when acceptance of such freight by a carrier can be obtained.

Cooperating Trade Associations

MANY trade associations regularly cooperate with the Bureau in the solution of problems common to the entire industry. Among the associations which have thus identified their activities are:

- National Industrial Traffic League.
- National Furniture Warehousemen's Association.
- American Fruit and Vegetable Shippers' Association.
- National League of Commission Merchants.
- International Apple Shippers' Association.
- Standard Container Manufacturers' Association.
- National Association of Wooden Box Manufacturers.
- Paper Board Industries Association.
- United States Potters' Association.
- American Association of General Baggage Agents.
- Associated Cooperage Industries of America.
- National Association of Egg Case

and Egg Case Filler Manufacturers.
Southern Furniture Manufacturers' Association.
National Association of Manufacturers of Heating and Cooking Appliances.
The Canadian Founders' Association.
Western Fruit Jobbers' Association.
American Veneer Package Association.
American Association of Flint and Lime Glass Manufacturers.
National Association of Pressed and Blown Glass Ware Manufacturers.
National Retail Drygoods Association.
American Newspaper Publishers' Association.
News Print Service Bureau.
Fabric Carpet and Rug Traffic Association.
Plywood Manufacturers' Association.
Trunks, Luggage and Leather Goods Manufacturers of America.
National Lumber Manufacturers' Association.

Publications of the Bureau

THE Freight Container Bureau has issued the following publications outlining efficient and economical methods of packing and shipping various commodities:

Porch rocking chairs (out of print).
Metallic or wooden chairs.
Wooden boxes for boots and shoes.

Wooden boxes for eggs (in the shell) and inside packing.
Crates for furniture and case goods.
Solid fibre and plywood boxes for boots and shoes.
Crates for refrigerators.
Cans for eggs (shelled and frozen) and outside containers.
Crates for furniture and lamps (reed and fibre).
Corrugated strawboard boxes for boots and shoes.
Crates for upholstered furniture.
Boxes for citrus fruit (Florida) (withdrawn).
Slack barrels and slack casks and inside packing for pottery.
Crates for gas and electric domestic cook stoves.
Boxes (lugs) for fresh grapes.
Crates for oil cook stoves.
Four-basket crates (with tapered ends) for fresh fruit and vegetables.
Six-basket crates for fresh fruits and vegetables.
Crates for cast-iron household cook stoves and ranges.
Slack barrels and inside packing for glass tableware.
Cans (inside containers) for liquids, semi-liquids and pastes.
Bulletin on wooden crates.
Bundling and tying of chairs when not crated.
Device for crimping handles on bushel baskets.
Crates for parlor heaters (circulating type).
General information on crating.
Packing and crating oak heaters.
Crates for warm air furnaces.

The three-way corner.
The three-way corner crate.
Crates for furniture (case goods without stretchers).
Crates for furniture (case goods with stretchers).
Method of packing and crating bed ends.
A guide to good construction of nailed wooden boxes.
Packing and crating of mirrors.
Crates for upholstered furniture.
Crates for chairs.

These publications may be obtained upon application to the Bureau at the address already given. No charge is made.

At the present time several publications on other commodities are being compiled. They will be issued as soon as completed. It is contemplated in the near future to make studies on various other commodities and issue similar circulars when definite conclusions have been reached as to the best methods to be used in shipping these commodities. Many other reports, usually mimeographed, covering containers and packing methods for various articles and commodities, have been prepared and are available to those directly interested.

Standard Terminals Are Essential to Successful Operation of the Government Barge Lines, General Ashburn Says

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

WITH another rivers and harbors bill scheduled for passage in the regular session of Congress, convening in December, advocates of waterway development in and out of Congress find much of interest in the recent utterances of General T. Q. Ashburn, directing genius of the Inland Waterways Corporation operating the Government barge lines on the Warrior and Mississippi Rivers. Suitable and standard terminals are held to be one of the essentials to successful barge line operation. General Ashburn placed particular stress on this phase of the water transportation problem in his discussion of the Mississippi River barge operations before the Mississippi Valley Association at its recent meeting in St. Louis.

In considering his comment on terminal facilities for the water carriers it may be well to keep in mind the prospective expansion of grain storage facilities in connection with the cooperative marketing programs initiated by the Federal Farm Board. Alexander Legge, chairman of the Farm Board, says that in several instances the private owners of warehouse facilities have been in negotiation with producer-owned cooperative organizations, endeavoring to come to an agreement whereby the privately owned and operated facilities may be placed at the disposal of the cooperatives. In some cases the negotiations have been on a sale basis, in other cases leases are contemplated, and in still other instances the negotiations have aimed at contracts whereby the private owners would render the storage service at agreed charges.

In the Mississippi Valley, with de-

pendable water transportation on the Mississippi and Warrior Rivers, and with the certainty that this service will soon be extended to the Missouri, the Illinois and perhaps ultimately to other tributaries of the Mississippi, it may well be that some of the new storage facilities will be located on these waterways. There is the prospect, therefore, that there will be a substantial demand both from the cooperatives on the one hand and the water carriers on the other, for modern barge-side storage and warehousing. Doubtless in some of these instances there will be opportunity for the privately-owned warehousing service to cooperate with both these elements.

In emphasizing the importance of the terminal facilities, General Ashburn said:

"It is not possible to standardize the terminals already existing on the lower river, consisting of the direct lift, escalator, and inclined railroad and floating storehouse type, but as each new terminal is designed they are built as nearly to standard type as local conditions will permit. The terminals on the upper river are to all intents and purposes standardized, and such standardization aids materially in the reduction of handling costs." He was speaking of the Mississippi River.

"I mentioned before the increased cost involved in transfer from car to barge, or *vice versa*, and this corporation has no axe to grind, no private interests to satisfy, in the location of such terminal facilities.

"The corporation is interested only in a location of an interchange where it can serve the public, both city and interior, at reasonable rates and not destroy the value of its differential, so that there must be only one terminal for any lo-

cality unless terminals on opposite sides of a river obviate bridge transfer charges.

"It expects the cities to build their own terminals, and to compensate themselves by reasonable charges for handling freight thereon.

"Its experience does not lead it to believe that local terminals can be amortized by reasonable charges, and does not lead it to believe that freight originating or destined for a single port will flow in sufficient volume to justify the barge line's operation.

"It cannot properly perform its function unless its terminals are interchange, allowing freight to move via its lines to and from the interior. It must have a single handling from car to barge or *vice versa*, and it must allow of the simultaneous loading or unloading of various barge compartments. It must be a combined package and bulk terminal with escalators and gantry cranes. It must have an area of suitable size and shape for immediate purposes and subsequent development."

Calling attention to the necessity for favorable navigation conditions in front of the terminal, General Ashburn insisted that the site must offer immediate means of cheaply handling grain, and this, he asserted, calls for a river-side elevator.

"It is astonishing to me," the General said, "that some people should argue that the barge line is not interested in the cost of transfer of such commodities as grain if our rates provide simply for free on-and-off transportation of such grain. If it costs \$15 a carload to transfer from one railroad to another, and another \$5 a carload to transfer through a belt line to the barge line, before the

(Concluded on page 47)

I. C. C. Says Railroads' Storage Rates Should Equal Those of Warehouses

Rail-Terminal Facilities at Atlantic and Gulf Ports Are Held Adequate, and Carriers' Charges on Such Traffic Are Declared Not to Be Burdensome

By MICHAEL M. MCNAMEE, JR.

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

AFTER years of investigation, protected hearings and submittal of volumes of testimony, the Interstate Commerce Commission has decided, in its Docket No. 12681 in which representatives of the public warehouse industry participated, that:

1. Rail-water terminal facilities at north Atlantic, south Atlantic and Gulf ports are reasonably adequate to accommodate export, import, coastwise and intercoastal traffic.

2. Railroads' charges on this traffic does not impose a burden on other traffic.

3. Carriers, when leasing their warehouses to shippers, should endeavor to obtain terms no less favorable than were the warehouses operated independently of the railroads.

Docket No. 12681 is headed "Charges for Wharfage, Handling, Storage and Other Accessorial Services at Atlantic and Gulf ports." It is a case in which the American Warehousemen's Association, vitally interested, retained counsel to represent it at the hearings and presented written and oral testimony.

The Commission instituted its inquiry in April, 1921, after receipt of a report from the Secretary of War calling the Commission's attention to the fact that the World War had resulted in a large fleet of commercial vessels seeking

to operate in competition with commercial rivals, and that the railroads were unable to provide costly piers to reduce time in ports.

The Secretary of War declared that the railroads charges at south Atlantic and Gulf ports equalled about one-fourth of the cost of accessorial services, and that the privately-operated terminals and warehouses could not operate at such low charges in competition with the rail carriers. The inadequate and inefficient facilities afforded by the carriers at those ports, said the War Secretary, restricted shippers of import and export traffic.

"The record does not warrant," says the Commission's report, "the prescription of a tariff rule requiring the accessorial or terminal charges to be stated separately from the line-haul rates on export, import, coastwise and intercoastal traffic to and from Atlantic and Gulf ports.

"Every effort should be made by carriers when leasing their warehouses to shippers to obtain terms no less favorable than would be obtained, under similar restrictions and conditions of use, were the warehouses owned independently of the railroads.

"Practice of according storage space for fertilizer moving in interstate or foreign commerce at rates other than those named in published tariffs, found in violation of section 6 of the Interstate Commerce Act."

The entire proceeding was discontinued by the Commission.

FOLLOWING the inception of its investigation in 1921, hearings were had at various south Atlantic and Gulf ports throughout 1921 and 1922, and, in response to a motion on behalf of the U. S. Shipping Board, the case was reopened and broadened to include the terminal situation also at north Atlantic ports. Hearings at north Atlantic ports and further hearings at south Atlantic and Gulf ports were held during 1927 and 1928.

The Commission comments on the Secretary of War's report as follows:

"The Secretary of War reported that the terminal charges of the railroads

rarely cover the cost of the service, but that these losses are recouped from the revenue received from the line-haul rates; that where the business passes over a private or municipal terminal there is no opportunity to make good the losses incurred in meeting railroad terminal charges; and that, naturally, the privately owned terminals must be able to realize a reasonable return on the capital invested to continue in business.

"He further stated that the fact that the privately owned and municipal terminals are unable to charge relatively more than the railroads for the use of

such facilities has resulted in discouraging the establishment of adequate terminals, and consequently in diminishing the facilities for interchange of traffic which are so essential to the development of commerce. Public warehousemen and dock owners are insisting that we use our good offices to require the railroads to increase their accessorial or port terminal charges more nearly to approximate the storage and handling charges of private enterprises of this character. These terms are described below.

"The Secretary of War recited that the necessities of war had at that time provided this country with a large fleet

of commercial vessels which should be operated in competition with our maritime and commercial rivals; that vessels while in port were under heavy expense and that efficient and economical operation of our commercial fleet necessitated reduction to a minimum of the time spent in ports; that our railroads were financially unable to provide the 'costly wide piers and expensive mechanical equipment' necessary to the greatest operating economy, and that their charges for port terminal services at south Atlantic and Gulf ports represented but from one-fourth to one-half of the actual cost of the services; that because of the low railroad charges then existing, private terminals could not profitably compete with railroad terminals; that private and municipal capital could not be induced to provide modern terminals; and that the existence at certain ports of inadequate and inefficient facilities unduly restricted shippers in the routing of their traffic. The view was then expressed that the terminal tariffs of the railroads should be amended by increasing the accessorial charges to afford an opportunity to all concerned to provide needed facilities with reasonable prospect of profit. It was upon these representations that we instituted this proceeding."

The Commission's decision goes into considerable detail in connection with the various contentions put forward by interested parties. Commenting on the position of the Port of New York Authority, the decision states:

"The Port Authority of New York contends that lighterage at New York is a mere substitute for switching. Marine service is necessary between the rail ends and ship side on more than 90 per cent of the traffic. Whether the switching service at Baltimore, for example, may be fairly compared with the lighterage service at New York, so that the one may offset the other as an expense, presents a question that merits consideration.

"The testimony shows, however, that the lighterage service at New York is performed in addition to a substantial switching service from the classification or hold yards in New Jersey to the New York water front. In the case of one or two of the rail carriers serving the harbor of New York, it is the endeavor to place this export traffic in trains so that it may move to hold yards relatively close to the water front requiring a short switching movement, but in other instances a switching service of several miles through congested terminals is required. Lighterage is also performed by the rail carriers serving Baltimore, but principally for competitive reasons. When lighterage is performed at Baltimore it is in addition to the switching to the water front, the same general manner as, and no more complicated than, that required at New York.

"As previously shown, no lighterage is performed on this traffic at Boston, and a very limited amount takes place at Philadelphia. While it is true that the costs of each switching movement, or the average costs of all switching move-

ments at the various ports, are not in evidence, the port costs shown cannot be condemned on this ground, as there is no evidence to show that the switching at New York is less expensive than that at other ports. To have included the cost of switching at the ports with the port costs in transferring shipments between the rail ends and ship side would have injected a new issue and destroyed the purpose of the investigation. Moreover, had the costs of switching been included with the costs beyond the rail ends, the issue of separating the line-haul rates, including switching, from the charge or charges for the transfer of traffic between the rail ends and ship side could not have been determined. In view of the conclusions reached in the present case, it is deemed unnecessary further to discuss these cost figures."

"Witnesses for Philadelphia expressed their opinion that the railroads are either not getting all they are entitled to receive in the line-haul rates to New York, or else they are getting too much to Philadelphia because of the difference in port costs at the two ports. To illustrate, if a rate of \$1 applies from Chicago to New York, the present rate to Baltimore would be 97 cents, 3 cents less than to New York. A separation of the rate on the basis of the port costs at these ports would result in a rail-haul rate of 91.7 cents to Baltimore and 86.3 cents to New York.

"The rate on ex-lake flour from Buffalo to New York is 16 cents, and a deduction of the average port cost at New York would leave only 2.3 cents per 100 pounds for the rail-haul service, including switching, whereas to Baltimore there would remain 10.7 cents for the rail service. Witnesses for Philadelphia further expressed the view that the inequalities between New York and Philadelphia cannot be removed unless there is a segregation of the port charges from the rail-haul rates," it was said.

"The south Atlantic and Gulf ports and the carriers serving them are practically all in favor of a separate statement of the port charges. The New Orleans interests, and Illinois Central and Southern Pacific lines which serve that port and the Muscle Shoals, Birmingham & Pensacola at Pensacola, particularly favor ship-side rates which include all of the port charges.

"New Orleans may be eliminated from the controversy to a great extent, as the State of Louisiana owns a large share of the water front and exercises virtual control of the remainder. Under the administration of the Board of Commissioners of the Port of New Orleans, the water front at that port has been lined with adequate wharves and transit sheds. It is contrary to the policy of the Board of Commissioners to permit persons or corporations to construct and operate facilities at that port for the handling of commerce generally, and no privately owned facilities may be constructed and operated in addition to those that are now owned and operated by the Illinois Central, Southern Railway, Southern Pacific, and Missouri Pacific systems.

"The main reason that the line-haul rates include ship-side delivery from points north of the Ohio River to southeastern ports is to meet the method of publishing rates from the same origins to the north Atlantic ports. One witness testified that if the southern carriers were to make a separate charge for port services at the southeastern ports on traffic from points north of the Ohio River, the tendency would be for the traffic from those points to move to north Atlantic ports, as the shipper would get the impression that something extra was being charged at southern ports in addition to the line-haul rate. He, therefore, urged that uniformity in the method of publishing export rates is important from a competitive standpoint."

In connection with the warehousing angle of the situation, the decision states:

"Private and municipal warehouse and rail-water facilities urge that the charges for the use of railroad-owned facilities of a like nature at the ports are so low that it is impossible for the private or municipal facilities to meet railroad competition.

"It is pointed out particularly on behalf of the Wiggins Terminal at Boston and the Bush Terminal at Brooklyn that the transit storage rates of the rail carriers are about 25 per cent of those of independent or private warehouses. Because of this disparity it is testified that the Bush Terminal is discontinuing storage and is in the process of retiring from that business entirely because of the low storage rates of the railroad."

"A witness for the Bush Terminal further testified that the remedy should be to require the railroads to increase their storage rates to conform more nearly to the cost of the service, and that his company would welcome an arrangement whereby the storage rates at the ports might be put under State or municipal or, if possible, Federal control. Much of this storage is not subject to the provisions of the interstate commerce act, and it is doubtful whether the remedies requested could be effectively employed under the power vested in us.

"There is an investment in facilities at the ports, Wilmington to New Orleans, inclusive, by public and private interests, of \$129,650,000 to handle water-borne traffic, while the railroad facilities of a similar nature at these ports are valued at \$32,666,710.

"The municipal facilities at Jacksonville are losing thousands of dollars each year because they are unable to increase their charges for handling traffic through their terminals. In 1927 they failed to meet their operating expenses by over \$60,000. Before the municipal facilities at Jacksonville were built little traffic was moving through that port because of insufficient depth of water. Improvements for the water channel including sufficient depth of water may be assured under the river and harbor act of March 3, 1919, only by the maintenance of export and import facilities open to the public on equal terms to all alike as now maintained at Jacksonville and

many of the other southern ports by the municipality or State.

"It is argued on behalf of such ports as Charleston and Jacksonville that the port charges named in the rail carriers' tariffs are very vital under the circumstances presented at those ports. The railroad facilities at Charleston, valued at about \$800,000, and those at Jacksonville, valued at about \$2,000,000, are not used for general export and import traffic as already indicated. They are either in total disuse or leased to private individuals.

"Modern private or public facilities are provided at both Charleston and Jacksonville, the value of those at the former being about \$10,000,000 and those at the latter nearly \$6,000,000.

"The loss that these facilities sustain each year is due to their inability to charge more than indicated in the respondents' tariffs for the port services, although the respondents do not perform any of this service. If greater charges were attempted by these facilities, the traffic no doubt would be diverted to other ports or to other facilities at the same port.

"It is conceded on behalf of the Municipal Docks and Terminals of Jacksonville, a common carrier, that if its divisions were increased, the situation complained of would be helped in a great measure, but it contends that the more important point is the development of foreign commerce, which is advocated through the increase of the port charges to the basis of at least the cost of the service.

"The State, municipal, and private facilities point out that the tariffs applicable at south Atlantic and Gulf ports contain such provisions that communities are forced to protect their interests by entering into terminal ownership and operation consistent with the policy of Congress as expressed in the river and harbor act, previously mentioned.

Warehousing's Contentions

"Counsel for the American Warehousemen's Association, Jacksonville, Charleston, and for other interests request that we admonish the rail carriers to increase their port charges to approximate the cost of the particular port service.

"It is conceded by most of the carriers serving southern ports that the port charges as named in their tariffs are insufficient in themselves to meet the expenses of the service performed at the ports, but when taken in connection with the line-haul rates it is contended that they are entirely adequate. The carriers argue that storage, handling, and other accessory services are incidental to the line-haul service, and for that reason the charges therefor stand in an entirely different light from those of private or municipal warehouses or facilities that rely entirely upon the charges derived from the port services for their revenues.

"It was shown that certain rail carriers make a practice of leasing to private individuals or companies their terminal warehouse facilities on the waterfronts at south Atlantic and Gulf ports.

"The railroads own and operate their own rail and water terminal warehouses at Norfolk, Va., Pensacola, Fla., Mobile, Ala., and Gulfport, Miss., and collect the lawfully established port charges on fertilizer and fertilizer materials imported at those ports.

"At Wilmington, N. C., Charleston, S. C., Savannah and Brunswick, Ga., Jacksonville and Tampa, Fla., and New Orleans, La., certain rail carriers lease their terminal warehouse facilities either to shippers or private individuals at fixed annual rentals instead of collecting the tariff charges on the tonnage handled. To illustrate, the Illinois Central Railroad leases sections of its Stuyvesant warehouse to shippers of fertilizer at New Orleans for 1 cent per square foot for 30 days or 2.5 cents per square foot for 90 days, and cancellable on 30 days' notice by either party. This carrier has leased a portion of a certain warehouse to one of the largest shippers of fertilizer for a period of two years at a total rental of \$2,400. One month's storage at the tariff rates on the fertilizer actually stored in the space leased would have amounted to nearly \$6,000.

"It is conceded by counsel for the Illinois Central that the leasing rate is lower than the tariff rates, but asserts that either rate is available to the public. It is stated that fertilizer in small quantities may be stored for short periods under the tariff rates, while under the leasing plan a minimum period of 30 days is required and subject to cancellation on 30 days' notice.

"There are other requirements under the leases, but none of them is the subject of tariff publication.

"It is testified that the Southern Railway at Port Chalmette, La., initiated the leasing practice in this territory; that the Illinois Central adopted a similar practice at New Orleans to meet the competition of the Southern Railway; and that before the Illinois Central met this competition it lost considerable line-haul traffic to the lines that leased their warehouses, or portions of them.

"The evidence indicates that these warehouses are leased for the purpose of influencing traffic to the rails of the lessors. The practice of carriers leasing their warehouse facilities, or portions of them, for periods of 30 to 90 days, presumably covering particular seasons, at a rental that is not reasonably compensatory, may discriminate against the smaller shippers who must avail themselves of space at the tariff rates.

"Some of these leases are on a rental basis that yield from 1.3 to 2.7 per cent, based upon the valuation of the property claimed by the carriers, but upon the basis of 7 to 8 per cent under the tentative values determined by our Bureau of Valuation.

"These percentages do not take into consideration taxes, insurance, depreciation, dredging in some instances, and certain other expenses that must be borne out of the rental funds. It would appear that some of these facilities are not earning a fair return upon the investment, nor do the carriers claim that they do. The leases usually provide for

routing over the lessor's line when the rates do not exceed those over other lines.

"In explanation of the practice of leasing, counsel for these carriers point out the volume of fertilizer their respective lines have transported in the last few years, attributing much of the tonnage to the existence of the leases."

Commissioner Eastman, dissenting from the majority opinion, declares in part:

"It is stated in the majority report that 'storage is not a service included in the line-haul rates except in so far as a limited free-time storage is allowed under ship-side rates.' My understanding is that this is only a half-truth. Separate charges are published for storage at the railroad piers, but it seems virtually to be admitted that these charges often fall far short of a reasonably compensatory level. To a substantial extent, therefore, compensation is secured, if at all, either through the freight rates to and from the ports or from traffic in general.

"The objections to this situation are manifest. Here, also, as in the case of dockage, the railroads are performing a service which they do not hold themselves out to furnish to the full extent of the public need and which must be supplied to a very considerable extent by others who have no similar means of recouping losses. It is clear from the record that unjustifiable injury results from this unfair competition.

"In my judgment we have the authority to require these charges to be maintained at a reasonable level, and we ought to exercise this authority, not only to prevent unjust discrimination as between shippers or an unwarranted burden upon traffic in general, but also in the general public interest. The railroads would have no difficulty in determining reasonable storage charges."

Piano Moving Difficult in Foreign Lands

There are still many regions in foreign countries in which great difficulties are faced in transporting commodities such as pianos, and even in cities and colonization centers piano dealers are forced to use primitive transportation methods.

In Central America a piano must be hauled for many hours in a cart drawn by oxen over poorly paved roads, consequently the instruments must be resistant in all their parts. The same is true of transportation by coolies as practiced in India. For transportation on mules over the passes of the Andes, pianos are generally built dismountable. —New York Times.

Merger in Rug Beater and Cleaning Interests

Announcement is made by the American Laundry Machine Co., Cincinnati, that it has purchased Nusly Brothers, Inc., Canton, Ohio, manufacturers of the Seaman dustless cleaner and the "better beater" for the dusting of rugs, two machines long popular with rug and carpet cleaners. The American will take over the manufacture of two machines.

A Pioneer Reverses Tradition

*James H. Hoeveler, Whom the French Dubbed "The Crazy American,"
Is Successfully Operating a Yankee Warehouse in Paris*

Bq ELIZABETH FORMAN

SINCE the dawn of time, pioneering has been done toward the West—the new world. Hear, then, the story of a young American who reversed the tradition and turned his steps from the young world to the old:

When James H. Hoeveler, an established warehouseman of Pittsburgh, went to France on a pleasure trip he had no idea of trying to revolutionize the warehousing methods of Europe. But, on all sides of him, he was struck by the fact that the ever increasing tourist trade to Paris meant business for every warehouse in the United States.

"Warehousemen can store the travelers' furniture, their rugs, pianos, silver and art treasures, when they are leaving," reasoned Mr. Hoeveler, "and, when they are ready to come home, the warehouse can again function by packing and shipping the various purchases which every globe-trotter makes, without any trouble whatever to the traveler—from the foreign shop to the home warehouse where the household goods are already stored."

The idea was so appealing that after the pleasure jaunt was all over the man from Pittsburgh returned for a twelve days' business trip to see what could be done about it.

Mr. Hoeveler had one thing in common with the pioneers of other days: everybody told him it couldn't be done.

So, like the hero of somebody or other's cheer poem, he went and did it.

French warehousing methods, Mr. Hoeveler found, were less modern as to the storing of household goods, which they had not learned to pile in space-saving devices. But their packing was a joy.

"Now," he reasoned, "if one could combine American efficiency with the artistry of the French packer, one would be getting somewhere."

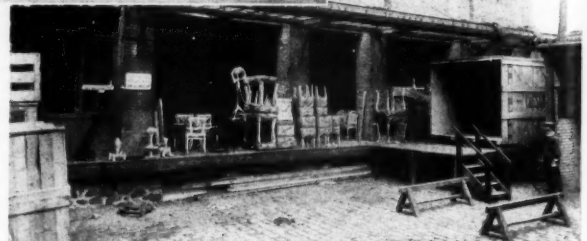
Two Speeds Forward

The French people dubbed him "the crazy American." Outgoing shipments were given a week's time from Paris to Le Havre if they were moved at what the French called "little speed." If they were moved at "great speed," which was more costly, they got there, if they had luck, in five days.

The Pittsburgher set out to get them there in one.



Left, office and entrance to warehouse of Franco-American Packing Co., Paris.



Right, the Franco-American's loading platform and packing room.

Mr. Hoeveler's first office in Paris was a desk space loaned him by the International Corporation on the Rue de La

James H. Hoeveler



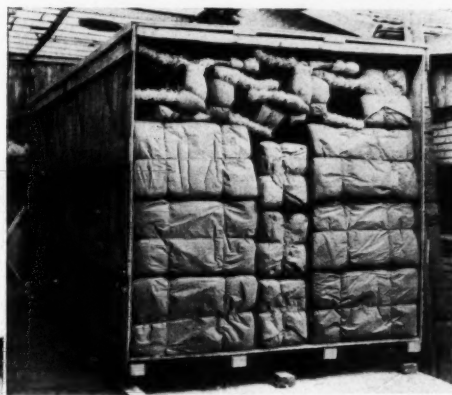
"The Crazy American"

Paix. From there he moved to a small suite of rooms on the Rue des Petits Champs, just off the Place Vendôme. From here he discovered that Cassard et Cie., the Parisien representatives of Cassard-Romano Co., Inc., New York and Los Angeles furniture importers, had for some time, and of necessity, been packing and shipping purchases of period furniture and antiques for their American customers. So Mr. Hoeveler bought out Cassard et Cie, built himself a modern furniture van, and rolled up his sleeves.

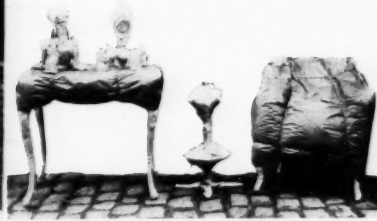
The office on the Rue des Petits Champs has long since been abandoned and the "buro," as the French call the director's sanctum, now is at the main plant, at 61 Avenue Philippe Auguste, near the historic Bastille.

The Franco-American Packing & Storage Co., as this thriving young infant business is known, and of which Mr. Hoeveler is president, has now safely passed its first birthday. It has suffered from growing pains at times and from the usual business ills that correspond to mumps, measles and teething; but it is lusty and well, and its fond

How the Franco-American Company, Paris, wraps and pads furniture for packing is shown in the views below and extreme right.



Left, one of the Franco-American's lift vans, loaded, with the maximum of space utilized.



father feels justified in a glow of pride over its growth.

Sceptical warehousemen have found in many cases that their own customers looked up the American firm while abroad and had their purchases sent home direct. Most people prefer to travel light on the continent.

In the past six or eight weeks the Franco-American Packing & Storage Co. has shipped to the United States some 3000 cubic feet of goods every two days—a gross of approximately 45,000 cubic feet a month. Most of this is furniture for Cassard et Cie. Mr. Hoeveler, sitting in his French office, foresees a mint of money in the future of the enterprise, for his chain is complete from the shop in Paris to the home of the American traveler anywhere in the United States. In such manner is the warehousing industry organized. And Paris seems closer every year.

French packers, whether they be handling some rare examples of Louis XIV furniture for an American millionaire or a bronze statue for some home-going student from the Latin Quarter, are artists in their line. First, pieces are covered with waxed paper put on with the precision of a surgical bandage. Over that is excelsior teased into long threads and wound, and over all goes stout paper and twine—a combination that would defy even the mateys who handle baggage on the trans-Atlantic liners. (And no praise could go beyond that.)

The offices of the Franco-American are somewhat removed from the gay cafes of Paris but that does not mean that they are lacking in the comforts for which the land is famous. On the top floor there is a homelike dining room where a sumptuous meal is served for the pressing of a bell. The laws of France permit the serving of other things there, too, but why go into that? And the customs of France set aside the time from twelve to two as sacred to the business man's luncheon.

So, all in all, the young American who went pioneering to the old world is smiling quite happily these days.

Impressions, by Two Returning Americans, of Warehousing Conditions Abroad

AN artist visiting in a foreign country is most interested in paintings and statuary, an architect in architecture, an engineer in bridges and construction work—and a warehouseman in warehousing.

It is interesting, therefore, to note comments made by two American storage executives recently returned from Europe—Mrs. Samuel Lewis Shank, president of the Shank Fireproof Storage Co., Indianapolis, and Milo W. Bekins, Los Angeles, president of the Bekins Van & Storage Co., which operates household goods depositories in various Pacific Coast cities.

In the average European warehouse the furniture lots are not placed together, according to Mrs. Shank, but a part of a lot may be found in one place in a warehouse and another part elsewhere. Mrs. Shank asked a warehouseman if he ever lost any goods and was told that the customers expected that. In one warehouse she told of finding openings where the sun was shining brightly on a beautifully upholstered chair which had a gold-colored satin damask covering and painted framework, but which was without a bit of wrapping. When the warehouse officers were asked about the probability that the chair would become faded and dusty, causing the customer to complain, the reply was that the customer would expect it that way.

Mrs. Shank also reported finding foreign warehouses packed furniture with straw, even in moving. She said that she found a few dustproof pads.

The inconvenience to customers also was emphasized in the business hours kept by officials and employees of the foreign companies. "The warehouses, offices and all are closed from the noon hour to 2 p. m. while everyone is out to lunch. The workmen go to work at 6 a. m., are off from 12 to 2 p. m., have about thirty minutes for tea at 4 p. m. and close at 6 p. m. Offices open at 9 a. m. and close at 5 p. m."

Mr. Bekins, who spent three months in European countries, said on his return that he was particularly struck by the fact that Paris had only three fireproof

depositories, whereas an American city of similar size might have at least fifty.

"The reason for this, of course," Mr. Bekins declared, "lies partly in the fact that the population of Paris is comparatively stable. Many families have lived for generations in the same house."

"In England there are no safe places to store household possessions, with the exception of London and Liverpool, which have several immense buildings. As to moving by motor van, in the accepted American way, the high cost of fuel (from 40 to 50 cents for the English gallon of five quarts) restricts the moving of household goods on the islands."

"In Europe, lift vans are used almost exclusively for inter-city moving, whereas in the United States they are used only for long-distance shipping. Only one lift van is loaded on a flat car, while over here three can be hauled on a single flat car."

"Also, it is very interesting to note that most businesses are carried on through the medium of brokers. If you want to hire a car, or buy theater tickets, or do any number of similar things, you first go to the broker, who makes all arrangements and then introduces you to the company which can actually fill your needs."

Baltimore Has New Terminal

Baltimore's McComas Street Terminal, just completed by the municipality for the Western Maryland Railway at a cost of \$8,500,000 and leased to that carrier at a daily rental of \$1,500, gives the city what is said to be the most modern and best equipped terminal in existence.

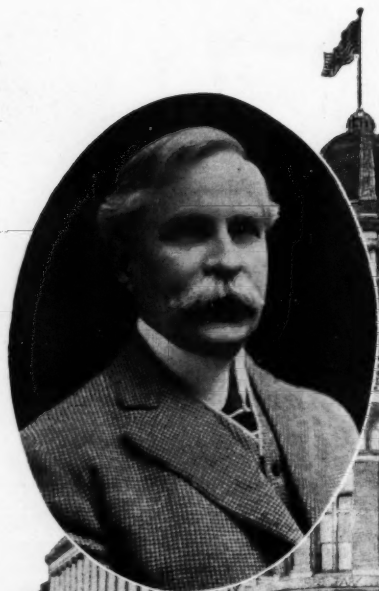
Construction is such as to permit the caring of whole trains of freight at once and the movement of goods in record time between vessels and warehouses. Embracing three piers and a warehouse, the terminal is the longest one in the harbor, having a waterfront of 3550 feet. It will be able to care simultaneously for seven large steamships. There is space for three additional warehouse buildings when needed.

No. 82

W. A. Whitmore

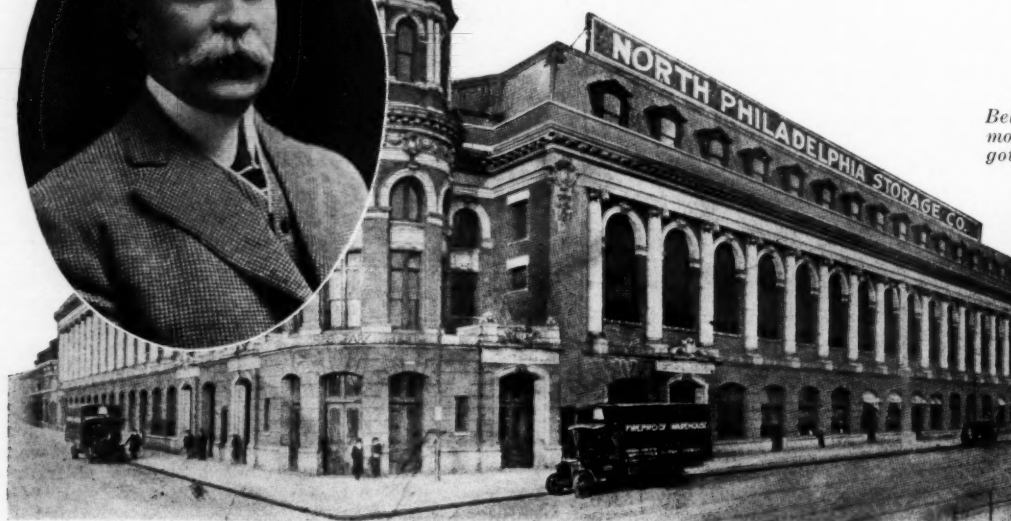
By K. H. LANSING

Let's Take the Family



In oval, W. A. Whitmore, president of the North Philadelphia Storage Co., Philadelphia.

The building is a novelty in warehousing. The North Philadelphia company utilizes as a storage plant the space under and adjoining grandstand of the American League baseball club.



Below — Mr. Whitmore has not forgotten how to play baseball.



PROSPEROUS, urbane, considerate of others, lively as a youth, at 65, with snappy step, firm hand and an increasing instead of diminishing interest in life as the years roll by—that's W. A. Whitmore, founder and president of the North Philadelphia Storage Co., and of the Whitmore Piano Co., Philadelphia. His warehouse, which covers two city squares, with 125,000 sq. ft. of floor space and accommodations for 2000 van loads of furniture, is located, through a stroke of his business genius, in the under-section of the big concrete grandstand of Shibe Park, home of the Athletics of the American Baseball League. Mr. Whitmore is a consistent baseball fan himself and for a long time Mack and Shibe held stock in his company.

Prior to Mr. Whitmore's coming to Philadelphia, which was when he was 19, he was principal of a dancing school in Hammonton, N. J. Here he taught such old-time dances as the waltz, schottische and mazurka, and perhaps it is due to that early interest in dancing that he has never stopped, for today it is one of his hobbies and when he and a sprightly partner dance the Charleston they are given the floor and all look on and applaud.

However, young Whitmore, when he first arrived in Philadelphia looking for a job, didn't do any dancing, but all the same he indulged in a lot of foot-work, for openings for young men seemed scarce. It isn't in him to be discouraged, but he was fast edging over toward

that frame of mind when he tackled the proprietors of a bicycle company and they didn't seem at all enthusiastic about hiring him.

"Try me out for a week," ventured young Whitmore. "I'll work without pay for that time and then you can see whether I'll be of use to you."

That proposition appealed and he was taken on. At the end of the week his employers saw he had possibilities and placed his name on the payroll. Time plays some queer tricks in business. The bicycle concern grew and a stock company was formed. Eventually Mr. Whitmore had the unusual experience of being placed over his old employers as vice-president and general manager. He was in a position to give them orders, but his sense of delicacy would not permit him to do so, especially as he saw that they were "game" and meant to stay on. He consulted with them and made suggestions, but these were never couched in order form. This gives some insight into Mr. Whitmore's character.

Bicycles began to skid in public estimation—that is, for general use by men, women and children—and Mr. Whitmore decided to try something else. Finally he combined the business of dealing in coal with that of what, in Philadelphia, is known as a "purchasing agent," this being one who gives orders on department stores to reliable persons for goods, these persons paying the

(Concluded on page 50)

Successes

No. 83

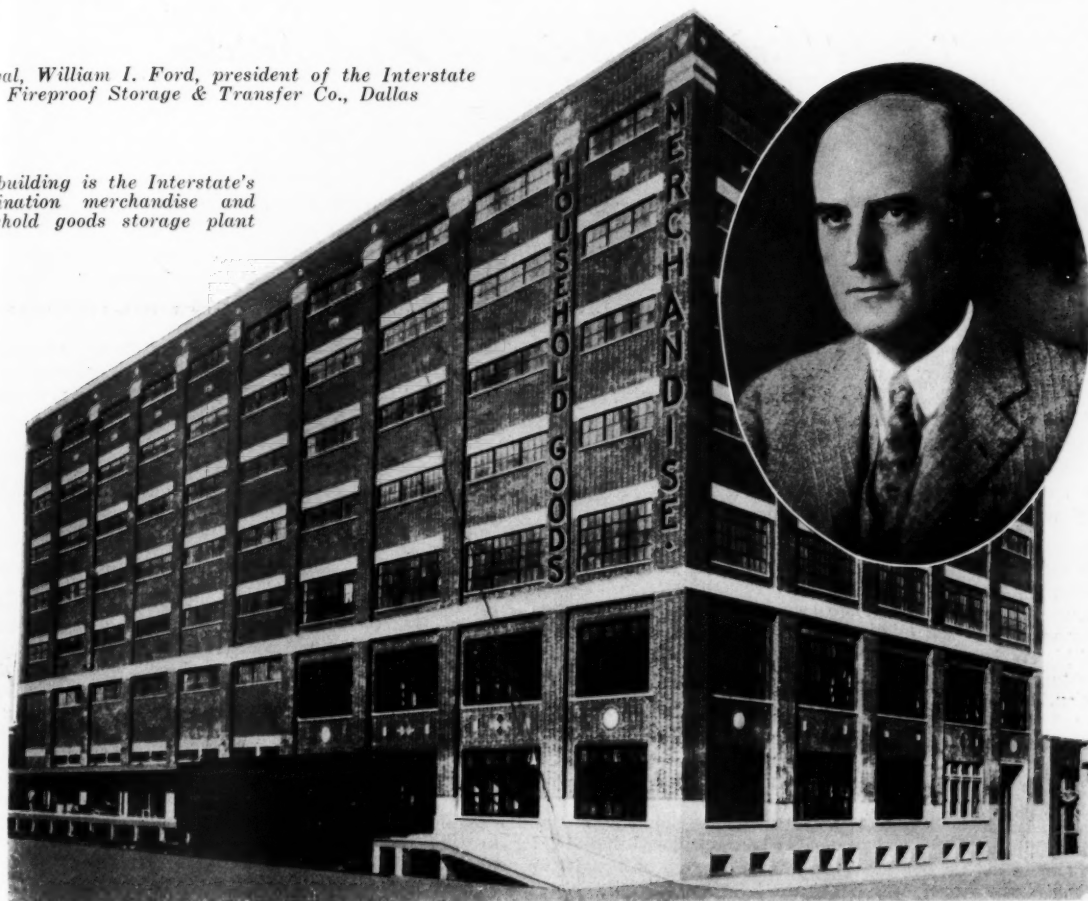
William I. Ford

By ELIZABETH FORMAN

Family Out of Storage!

In oval, William I. Ford, president of the Interstate Fireproof Storage & Transfer Co., Dallas

The building is the Interstate's combination merchandise and household goods storage plant



IF wheat hadn't been 42 cents a bushel and cotton 5 cents a pound, back about 1895, William I. Ford of Dallas, might have remained a farmer instead of becoming head of the Interstate Fireproof Storage & Transfer Co.,—and the National Furniture Warehousemen's Association would have been cheated out of one of its most popular presidents.

Bill Ford, as he is familiarly known throughout the warehousing industry, was born and reared in Dallas County. His father served in the Civil War. The elder Ford was a farmer and contractor and young Bill grew up on the farm. Later on, as foreman, he took charge of various crews of laborers employed by his father in the making of roads, and here he learned how to manage men—an art that has stood him in good stead since his own business has grown to one of the largest of its kind in Dallas. There is no waste of either time or man power permitted around the Ford plant today.

Seventeen years ago Mr. Ford was a prospering young lawyer, the price of wheat and cotton having driven him to desert the open fields for a try at the ponderous books of Blackstone. Leaving the farm, he had taken a

B. S. degree at Southwestern, followed by a law course at the University of Texas. By 1912 he had been practicing fifteen years. It was at this point in his career that he invested \$1,000 in a transfer and warehousing venture.

And he is still trying to get the \$1,000 out.

Warehousing was an entirely new field to Mr. Ford. He had tried his hand at politics and had been, among other things, chairman of the Democratic executive committee, first assistant district attorney for two years, and acting district attorney for two more years while his chief was ill. But despite his liking for and his success in his chosen profession, the confinement of an office and the strain of the inevitable delays resulting in the operation of the machinery of the law had their drawbacks and disadvantages to one who had spent many years of his life in the country. His health was not being benefited. So he decided to turn to something which would permit him to go out and get business instead of sitting in an office and waiting for it to come to him, according to the ethics of the legal profession. Ac-

(Concluded on page 52)

Distinction Between Liability Under Common and Compensation Laws

Twenty-third of a Series of Legal Articles

By LEO T. PARKER,
Attorney-at-Law

MANY warehousemen are familiar with common law liability of employers for injuries to employees. However, few are acquainted with the technicalities created by the comparatively recent workmen's compensation laws.

In accordance with the trend of modern procedure almost all States have adopted laws requiring firms and individuals who employ several persons to perform certain legal duties, such as filing detailed reports with the State officials, giving information of the number of regular employees, the duties of such employees, the salary earned by the employees; and, in many instances, the employers are required to contribute to a fund which is set aside specifically for compulsory payment of compen-

sation to any of the employees who may be injured.

The circumstances are numerous under which an employer is liable for payment of compensation under the workmen's compensation laws, whereas for the same kind of injuries he would not be liable under the common law.

For example, under the common law an employer is not responsible for injuries which a workman inflicts accidentally to his fellow workman. However, the workmen's compensation laws definitely specify the amount of compensation to which an injured employee is entitled, irrespective of the cause, providing the injury was sustained while the employee was acting within the scope of the employment.

Employee Must Prove Injury

OBVIOUSLY, however, the employee is bound to prove conclusively that the injury was sustained in the regular course of his employment.

For instance, in *Berry v. Industrial Commission*, 167 N. E. 26, decided during the past few months, it was disclosed that an employee, while using a hammer in his regular employment, was struck in the eye by some foreign particles. He consulted a physician, who removed several particles from his eye. Several days later while chiseling a bolt on his own automobile at his home a piece of steel lodged in his eye, and he again consulted a physician. Soon afterward his eye become infected and it was necessary to remove it.

He sued the employer under the compensation laws, contending that the injury resulted from the first accident, which occurred while he was engaged in his regular work. However, the Court held the employee *not* entitled to compensation, saying:

"The evidence fails to show satisfactorily that the loss of Childs' [employee's] left eye resulted from an accidental injury which arose out of and in the course of his employment."

Injury Must Arise from Warehouse Employment

MOREOVER, under the workmen's compensation laws a warehouse employee is *not* entitled to compensation for an injury sustained while working for the warehouseman, providing the injury is received while the employee is engaged in performing work not connected with the warehouse business.

Next Month

THE duty of a landlord to repair leased warehouse, and the liability of the partners, will be discussed by Mr. Parker in his twenty-fourth article, to appear in the January issue.

When is the warehouseman bound to make repairs? What is his liability to owner for value of destroyed building? How do repairs differ from alterations? How strictly are lease contracts construed?

These and similar questions will be answered, with Court rulings in support of the points which Mr. Parker emphasizes.

For illustration, in *Mason v. Wampler*, 166 N. E. 885, it was disclosed that the owner of a warehouse decided to build a dwelling for his own use. He hired workmen to construct the building and, while engaged in performance of this work, a carpenter was seriously injured. He sued, under the State compensation laws, to recover compensation for the injuries. However the Court held the warehouseman not liable, saying:

"Appellee [warehouseman] was not, and never had been, engaged in the business of building or remodeling houses. . . . It was not a work of independent importance or a source of profit to the plaintiff [workman]. It was a work

merely incidental, casual and temporary in character."

On the other hand, litigation frequently arises when an employee is injured while attending to his personal affairs, such as eating lunch, getting a drink of water, attending to bodily necessities, or the injury is sustained during rest period, or at other times when the employee is not actually rendering a service for his employer, but is performing acts incidental to the employment.

Generally speaking, the employee is entitled to compensation under the compensation laws for an injury arising "in the course of the employment" if the accident occurs while the employee is doing what he may reasonably be expected to do during the hours of his employment, and at a place where he may have good reason to be during that time.

For example, in the recent case of *Schockley v. Morristown Co.*, 11 S. W. (2d) 900, the Court explained the law on this subject, as follows:

"An employee while at work for his employer may do those things which are necessary to his own health and comfort, even though they are personal to himself, and such acts will be considered incidental to his employment. And while recognizing, as we do, the general rule that an employee cannot be awarded compensation when he has turned aside from his employment for his own purposes, there are many departures by an employee which do not deprive him of compensation; for example, in seeking toilet facilities, in preparing for the street, in quenching his thirst, in eating a lunch, in seeking fresh air, in seeking

shelter from a storm, in protecting himself from cold, or even in saving his personal belongings from injury."

Employee Bound to Accept Medical Services

STILL another important phase of the established law is that an injured employee may not recover full compensation for an injury which may be cured or improved by medical treatment.

For illustration, in *Sheldon v. Gopher Co.*, 219 N. W. 867, it was disclosed that a State workmen's compensation Act provides definite payment for loss of various members, including a thumb. An employee sued who lost one and one-half phalanges of his thumb. He endeavored to recover compensation for loss of his whole thumb, contending that on the stump of the thumb is a tender spot which prevents the performance of his work.

However, in view of testimony given by doctors to the effect that the end of a nerve had become imbedded in scar tissue, and that a very simple operation will cure or remove this tender or painful condition, the Court refused to grant compensation for more than one-half of the thumb, saying:

"Respondent [employer] is under legal obligation to furnish this cure. . . . Of course, it is employee's duty to avail himself thereof, rather than to try to compel payment for a disability easily removed."

Compensation Laws Strictly Construed

IT is important to know that in deciding litigations involving injuries to employees under the compensation laws the Courts strictly adhere to the exact terms of the statutes.

For example, in *Montello Co. v. Schultz*, 222 N. W. 315, an employee, who was injured while performing his regular duties, failed to give his employer a written notice of the injury, as required by the compensation laws.

The counsel for the employee proved that the employer had definite information of the injury and therefore contended that a written notice was not necessary. However, the Court held the employee not entitled to compensation, saying:

"The workmen's compensation Act is statutory in its origin, and whatever rights employees have in regard to compensation accrue solely by virtue and under the provisions of the statute. . . . As a part of this statutory scheme the employee is required to give notice of his disability. The period of such notice is limited in order to enable the employer to determine whether the claim is a *bona fide* one, and to afford him an opportunity to examine into the facts concerning the injury, and the extent of such injury, and all other necessary facts involved in a compensation claim."

Employee May Elect to Sue Under Common Law

ON the other hand, frequently, injured employees prefer to sue for damages under the common law, rather than accept the amount of compensation fixed by workmen's compensation laws. This

circumstance may exist where the injury resulted from *negligence* on the part of the employer, and the employee believes that a jury will allow a verdict for damages for an amount greater than the compensation authorized by the compensation laws.

However, an employee who elects to file suit under the common law is barred from relying upon the workmen's compensation laws to obtain payment, should the suit terminate adversely for him, and *vice versa*.

In other instances, an injured warehouse employee may obtain payment, under the compensation laws, from the warehouseman and, also, recover damages from the warehouseman's customer whose negligence caused the injury.

In view of this established law, considerable argument has existed from time to time as to whether a warehouseman, who pays compensation to an injured employee, may recover this amount from a firm or person who negligently caused the injury. Therefore the case of *Truscon Co. v. Trumbull Co.*, 166 N. E. 368, presents unusually interesting legal information.

In this case a company sent its employees to perform work for a customer. As a result of the latter's negligence one of the workmen was seriously injured. After the company had paid the injured employee \$2,800, under the State compensation laws, the workman sued the customer and recovered \$10,000 damages. As the facts of this trial proved that the customer had negligently caused the injury, the company sued its customer to recover the \$2,800 which it had paid to the injured employee.

However, as no State law provided for such payment, the Court held the company not entitled to recover the \$2,800 from its customer, saying:

"The sole question in the case is whether the facts as stated give rise to a cause of action in favor of the contracting company against the customer. . . . In view of the lack of statutory provision upon this subject . . . we are unable to see any merit in the claim."

Warehouseman Liable Under Neither Compensation Nor Common Law

WHEN a warehouseman hires an "independent contractor" to perform work the former is not liable for injuries sustained by the independent contractor, or his employees, under either the compensation or common laws.

Generally speaking, an independent contractor is one who (1) undertakes to perform work requiring skill; (2) and is employed to produce *certain results by utilization of his own equipment and workmen*; (3) and is engaged in a distinct and recognized employment; (4) and is to be paid *either a gross sum of money or with reference to a quantitative standard*; (5) and is *free as to his hours of labor, cannot be discharged by the warehouseman, and is under no obligation to work exclusively for his employer but required only to perform*

When you ship goods to fellow warehousemen—use the Warehouse Directory.

definite work for a definite price at a definite or indefinite time.

Omission of any one of these elements results in the warehouseman being liable, because the relation of independent contractor does not exist.

For illustration, in *Southern Co. v. Shoemaker*, 16 S. W. (2d) 951, an employer hired the owner of a motor truck to haul goods for a specified price. The employer told the truck owner where to go and furnished him equipment with which to load his truck. The owner of the truck employed his own labor to assist him in loading and unloading his truck, and the employer had no one at the loading place to direct or supervise the loading. However, the employer reserved the right to discharge the truck owner at any time.

An employee was seriously injured and sued the employer for compensation for the injury. The latter attempted to avoid liability on the contention that the employee was an "independent contractor." However, the Court held that an employee who works under these conditions is *not* an independent contractor, thus holding the employer liable, stating important law as follows:

"The test in determining the relationship is variously expressed, but now appears to be *whether or not the employer reserved to himself the right to control the one employed* in the details of the employment. It need not extend to the minutest or unimportant details. . . . The evidence in this case presents a close question. . . . The fact that the one employed uses his own discretion as to his hours of labor, is to be paid with a reference to quantitative standards, and furnishes some of his appliances, is *not* conclusive that he is an independent contractor. . . . The *unrestricted right* of the employer to end the service whenever he chooses, without regard to the final result of the work itself, is a very strong, and sometimes conclusive, circumstance indicating a relationship of employee, instead of that of independent contractor."

Fraudulent Settlement Is Void

IRRESPECTIVE of the party with whom settlement for injuries is made, such settlement always is invalid if the employee was fraudulently induced to sign the agreement. This point was discussed in the recent case of *Hornstein v. Alpha Co.*, 18 S. W. (2d) 121.

Here it was disclosed that a workman signed an agreement by the terms of which he released his employer from payment for injuries. Later the employee sued to cancel the release on the grounds that he could not read and that before he signed the paper he was informed that it merely was a receipt for his wages.

In view of this testimony the higher Court held the settlement void, stating the following important law:

"It is manifest . . . that plaintiff [employee] was influenced in executing the release by fraud and deceit in procuring his signature, or by fraud in misrepresenting to plaintiff the nature and extent of his injuries."

Warehouses 74.4% Occupied in September as Against 71.9% in August

New High Record Was Established, Based on Reports Submitted to the Government. Smaller Percentage of Goods Entered Storage in Later Month, the Figures Indicate. Occupancy and Tonnage Levels Were Ahead of Last Year's

By KENT B. STILES

A NEW high percentage figure in occupancy of space, as based on reports submitted by merchandise warehouses to the Bureau of the Census of the Department of Commerce, was recorded for this past Sept. 30.

Comparative statistics made public at Washington on Nov. 13, and published below, show that the average occupancy on the final day of September was 74.4 per cent. This exceeds by 2.5 per cent the previous high mark—71.9 per cent

as recorded at the close of August. The August level of 71.9 was in itself a new high one, as the best previous mark was 71.8 at the end of April of the current year.

The accompanying table shows that during September 717,904 tons arrived at the reporting warehouses, as compared with 730,178 tons in August. This is a decrease of 12,274 tons for the later month. However, it will be noted that four fewer warehouses reported in September than in August.

Of the 717,904 tons comprising September's reported volume, 536,964 tons, or 74.8 per cent, entered storage, the balance being delivered on arrival. This compares with a percentage of 75.8 in August, when 553,274 out of the 730,178 arriving tons went into the warehouses.

The record occupancy percentage mark of this past Sept. 30—74.4—compares with 66.1 per cent on the last day of September of 1928. This is an increase of 8.3 per cent.

The percentage of 74.8 for tonnage entering warehouses out of total volume received during the recent September compares with 70.9 per cent in September a year ago. This is an advance of 3.9 per cent.

Occupancy

IN the accompanying table the Sept. 30 figures are subject to revision as additional reports may be received. The revised totals will be published next month. In presenting comparisons with reported conditions of a year ago, accordingly, it is desirable to make use of the revised August figures, as set down in the table, and the August, 1928, figures on file with *Distribution and Warehousing*.

The 71.9 per cent of occupancy, for the entire country, as of date of this past Aug. 31, compares with 67.9 per cent on the final day of last year's August, when thirteen fewer warehouses reported then on the recent Aug. 31. This is a gain of 4 per cent.

This increase was reflected everywhere except in the District of Columbia and nine of the States—Pennsylvania, Michigan, Delaware, Maryland, Ken-

PUBLIC MERCHANDISE WAREHOUSING

August-September†, 1929

| Division and State | Number of Warehouses | | Per Cent of Floor Space Occupied | | Tonnage | | | |
|-----------------------------|----------------------|------------|----------------------------------|------------|-----------------------|----------------------|-----------------------|----------------------|
| | | | | | Received During Month | Delivered on Arrival | Received During Month | Delivered on Arrival |
| | August 1929 | Sept. 1929 | Aug. 1929 | Sept. 1929 | Aug. 1929 | | Sept. 1929 | |
| NEW ENGLAND: | | | | | | | | |
| Mass. and Vt. | 44 | 44 | *57.5 | 55.3 | *10,359 | 1,657 | 7,806 | 2,006 |
| Conn. and R. I. | 15 | 15 | *58.7 | 61.0 | *3,668 | *3,591 | 3,177 | 3,566 |
| MIDDLE ATLANTIC: | | | | | | | | |
| N.Y. Metropolitan Dis. (1) | 329 | 329 | 75.3 | 84.3 | *82,190 | *9,740 | 102,737 | 11,853 |
| New York | 327 | 325 | 72.1 | 82.8 | *76,368 | *15,325 | 100,126 | 17,332 |
| New Jersey | 52 | 52 | 82.3 | 83.0 | 21,910 | 1,190 | 18,774 | 1,146 |
| Pennsylvania | 56 | 56 | 70.1 | 70.6 | *30,797 | *4,681 | 30,092 | 4,281 |
| E. NORTH CEN.: | | | | | | | | |
| Ohio | 31 | 31 | *89.9 | 90.5 | 45,045 | 5,728 | 48,731 | 5,847 |
| Indiana | 24 | 24 | *82.2 | 82.3 | *2,561 | *1,548 | 2,684 | 1,816 |
| Illinois | *60 | 60 | *86.1 | 86.3 | *89,275 | *11,492 | 98,458 | 11,302 |
| Michigan | 55 | 55 | *69.0 | 71.1 | *20,479 | 3,147 | 22,840 | 3,315 |
| Wisconsin | 38 | 38 | 92.1 | 92.6 | *11,032 | 2,821 | 9,195 | 2,479 |
| W. NORTH CEN.: | | | | | | | | |
| Minnesota | 37 | 37 | *78.5 | 82.7 | *20,618 | *7,570 | 25,029 | 8,063 |
| Iowa | 22 | 21 | *68.2 | 70.1 | *6,512 | *1,821 | 6,324 | 2,241 |
| Missouri | 20 | 20 | *77.3 | 77.2 | 8,281 | 1,528 | 7,855 | 1,582 |
| N. Dak. and S. Dak. | 9 | 9 | 92.8 | 92.4 | 2,984 | 417 | 2,848 | 515 |
| Nebraska | 22 | 22 | 64.8 | 63.3 | 8,356 | 3,154 | 7,397 | 3,068 |
| Kansas | 20 | 19 | 82.3 | 82.5 | 6,076 | 4,610 | 5,337 | 5,003 |
| SO. ATLANTIC: | | | | | | | | |
| Del., Md. and D. C. | 41 | 41 | *57.5 | 59.0 | *25,106 | *9,261 | 24,472 | 8,137 |
| Va. and W. Va. | 32 | 32 | 70.7 | 71.0 | 7,089 | 41,882 | 5,976 | 42,067 |
| N. Car. and S. Car. | 12 | 12 | 61.6 | 64.3 | 1,860 | 681 | 1,817 | 514 |
| Ga. and Florida | 27 | 27 | 77.2 | 78.5 | 5,539 | 1,670 | 5,925 | 2,677 |
| E. SOUTH CEN.: | | | | | | | | |
| Ky. and Tenn. | *14 | 13 | *73.7 | 69.6 | *7,307 | *1,828 | 4,143 | 1,919 |
| Ala. and Miss. | 11 | 11 | *67.2 | 71.1 | *1,891 | *1,666 | 2,001 | 1,782 |
| W. SOUTH CEN.: | | | | | | | | |
| Ark., La. and Okla. | 22 | 22 | *68.6 | 56.9 | *14,343 | *3,102 | 15,759 | 6,245 |
| Texas | 52 | 52 | 50.4 | 49.1 | 28,485 | 7,771 | 15,435 | 8,076 |
| MOUNTAIN: | | | | | | | | |
| Idaho, Wyo. Mont. | 8 | 8 | 74.1 | 84.7 | 1,161 | 1,370 | 1,327 | 1,045 |
| Ariz., Utah, Nev. & N. Mex. | 17 | 19 | 78.7 | 78.7 | 5,502 | 2,303 | 7,843 | 2,044 |
| Colorado | 17 | 17 | *69.8 | 72.6 | *1,929 | *2,132 | 1,797 | 2,366 |
| PACIFIC: | | | | | | | | |
| Washington | 29 | 29 | *74.8 | 85.3 | *17,226 | *4,046 | 30,786 | 5,178 |
| Oregon | 7 | 7 | *67.8 | 68.2 | *42,330 | *22,491 | 21,239 | 18,914 |
| California | 105 | 104 | *77.1 | 78.4 | *29,648 | *5,958 | 31,771 | 6,414 |
| Total for United States... | 1,226 | 1,222 | *71.9 | 74.4 | *553,737 | *176,441 | 536,964 | 180,940 |

*Revised.

(1) Because of the importance of this territory, figures are shown separate from the State totals; this area includes all of the boroughs of New York and adjacent New Jersey territory.

†September figures subject to revision.

tucky, Tennessee, Alabama, Mississippi and Oregon—as indicated by the following:

| States | Occupancy Percentage End of August | |
|---|---|-------|
| | 1928 | 1929 |
| Massachusetts and Vermont... | 52.5 | 57.5 |
| Connecticut and Rhode Island... | 54.0 | 58.7 |
| New York Metropolitan District | ... | 74.3 |
| New York | 70.3 | 71.2 |
| New Jersey | 77.0 | 82.3 |
| Pennsylvania | 71.3 | 70.1 |
| Ohio | 82.1 | 89.9 |
| Indiana | 71.8 | 82.2 |
| Illinois | 73.4 | 86.1 |
| Michigan | 72.1 | 69.0 |
| Wisconsin | 78.5 | 92.1 |
| Minnesota | 70.4 | 78.5 |
| Iowa | 65.5 | 68.2 |
| Missouri | 77.1 | 77.3 |
| North and South Dakota | 84.9 | 92.8 |
| Nebraska | 51.6 | 64.8 |
| Kansas | 73.2 | 82.3 |
| Delaware, Maryland and District of Columbia | 59.3 | 57.5 |
| Virginia and West Virginia | 68.1 | 70.7 |
| North and South Carolina | 59.4 | 61.6 |
| Georgia and Florida | 70.0 | 77.2 |
| Kentucky and Tennessee | 76.2 | 73.7 |
| Alabama and Mississippi | 87.1 | 67.2 |
| Arkansas, Louisiana and Oklahoma | 67.8 | 68.6 |
| Texas | 44.3 | 50.4 |
| Idaho, Wyoming and Montana | 68.6 | 74.1 |
| Arizona, Utah, Nevada and New Mexico | 74.9 | 78.7 |
| Colorado | 63.4 | 69.8 |
| Washington | 55.9 | 74.8 |
| Oregon | 68.5 | 67.8 |
| California | 74.8 | 77.1 |
| Entire United States | 67.9 | 71.9 |
| Warehouses reporting | 1,213 | 1,226 |

*Percentage not available. New York and New Jersey, 1929 column, include New York metropolitan warehouses.

From the foregoing it will be noted that warehouses in eight States reported occupancy higher than 80 per cent on this past Aug. 30—the Dakotas, Wisconsin, Ohio, Illinois, New Jersey, Kansas and Indiana. A year ago, Aug. 30, only five States were in this class—Alabama, Mississippi, the Dakotas and Ohio. Comparatively, the greatest slump, nearly 10 per cent, was in Alabama-Mississippi.

Tonnage

THE September decrease, as compared with August, for the entire country, to 74.8 from 75.8 per cent of goods entering storage out of total volume arriving, was reflected in all except three of the nine divisions. In the Pacific section conditions were unchanged. In the Middle Atlantic and Mountain territories, gains were recorded, the advance in the Mountain group being more than 14 per cent. The following comparisons are available:

| Division | Percentage Entering Storage, 1929 | |
|----------------------|---|-------|
| | Aug. | Sept. |
| New England | 72.8 | 66.3 |
| Middle Atlantic | 85.9 | 86.7 |
| East North Central | 87.2 | 86.0 |
| West North Central | 73.4 | 72.8 |
| South Atlantic | 42.5 | 41.7 |
| East South Central | 72.5 | 62.4 |
| West South Central | 79.8 | 68.5 |
| Mountain | 52.7 | 66.8 |
| Pacific | 73.3 | 73.3 |
| Entire United States | 75.8 | 74.8 |
| Warehouses reporting | 1,226 | 1,222 |

The foregoing September percentages are subject to revision based on later reports. Accordingly comparison will be made here between August of 1928 and August of 1929, as follows:

Every warehouseman receiving the monthly questionnaires from the Department of Commerce owes it to himself and his industry to send in replies promptly.

| Division | Percentage Entering Storage | |
|----------------------|-----------------------------------|--------------|
| | Aug. 1928 | Aug. 1929 |
| New England | 79.5 | 72.8 |
| Middle Atlantic | 79.6 | 85.9 |
| East North Central | 87.0 | 87.2 |
| West North Central | 71.4 | 73.4 |
| South Atlantic | 41.8 | 42.5 |
| East South Central | 78.7 | 72.5 |
| West South Central | 78.2 | 79.8 |
| Mountain | 58.5 | 52.7 |
| Pacific | 69.4 | 73.7 |
| Entire United States | 73.5 | 75.8 |
| Warehouses reporting | 1,213 | 1,226 |

From the foregoing it will be noted that the gain of 2.3 per cent for the entire country was not reflected in three of the Divisions—New England, East South Central and Mountain. The greatest gain, 6.3 per cent, was in the Middle Atlantic States.

The annual Warehouse Directory is the recognized reference book of the industrial sales and traffic manager.

Government Cold Storage Report for November

Although total stocks of frozen poultry in cold storage in the United States on Nov. 1 were much larger than on the same date a year ago, total stocks of turkeys in cold storage were approximately 1,000,000 pounds less than on Nov. 1, 1928, and were about the same as the five-year average for that date, according to the November cold storage report of the Bureau of Agricultural Economics, United States Department of Agriculture. The report gives the following figures on total cold storage stocks of agricultural commodities held in the United States on Nov. 1, the first figure being for this year and the second for last:

Frozen poultry (broilers, fryers, roasters, fowls and miscellaneous poultry), 86,854,000 pounds as against 58,093,000; turkeys, 3,714,000 pounds as against 4,768,000.

Creamery butter, 138,324,000 pounds as against 105,811,000.

Meats, 630,716,000 pounds as against 547,718,000.

Lard, 99,110,000 pounds as against 83,474,000.

Apples, in barrels, 2,143,000 barrels as against 2,978,000.

Apples, in boxes, 10,123,000 boxes as against 12,333,000.

Apples, in bushel baskets, 6,388,000 baskets as against 4,932,000.

American cheese, 78,062,000 pounds as against 82,318,000.

Eggs, in cases, 4,931,000 cases as against 6,247,000.

Rotarians Hear Hogan

The warehouse business was traced back to 1715 B. C. by William J. Hogan, president of the National Terminals Corporation, in an address recently to fellow members of the Indianapolis Rotary Club.

Mr. Hogan asserted that Joseph, prime minister to an Egyptian Pharaoh, became the first warehouseman when he interpreted a dream for the Pharaoh, predicting a seven-year famine. Joseph advised the storage of grain for seven years, against the calamity.

Mr. Hogan described activities of his company, which operates terminals and warehouses in Indianapolis, Chicago, East Chicago and Cleveland, as a result of the return to water transportation on a larger scale during the past few years. He predicted expansion of this method of transportation and construction of facilities which would permit ocean liners to serve ports on the Great Lakes. Cargoes already were arriving at the National Terminals Corporation docks on the Great Lakes, he said, from Belgium, England, Chili and Sweden—pig iron, pipe, nitrates and wood pulp, the commodities being transferred from ocean boats to lake boats at Montreal.

So extensive were the water shipments, Mr. Hogan said, that his company had made arrangements for increasing its holdings from sixteen acres to 100 acres at East Chicago to give 5000 feet of dockage space.

Jacob S. Wagner Is Dead

Jacob S. Wagner, founder and owner of the Wagner Fireproof Storage & Truck Co., Springfield, Ohio, died in a local hospital on Nov. 17. He would have been 69 years old on Dec. 31.

One of the country's pioneer storage executives, Mr. Wagner was a charter member of the National Furniture Warehousemen's Association.

A sketch of Mr. Wagner's business career will be published in the January issue of *Distribution and Warehousing*.

George L. Oberholtzer Dies

George L. Oberholtzer, president of the National Team & Motor Truck Owners' Association and of the Philadelphia branch of that organization, died on Oct. 24 at his home in Philadelphia, at the age of 44. He was a pioneer in the trucking business, in which he had been active since a youth.

"Who Gets the Business?"

ANSWER: "It's the Starred Listing that Gets the Business." Therefore it pays to have a Starred listing. You can get that only by having your returned Information Sheet notarized. Was yours notarized? If not, ask us to send it back to you.

BOOKS AND PAMPHLETS OF INTEREST TO THE INDUSTRY

These Can Be Supplied, at the Prices Indicated, by

DISTRIBUTION AND WAREHOUSING

249 West 39th Street, New York City

Distribution and Warehousing's Warehouse Map of New York City

Price \$2.00

This map, in colors, and produced for us by Rand, McNally & Co., sets down the geographical locations of public warehouse companies—merchandise, household goods and cold storage—listed in the New York City sections of our 1930 Warehouse Directory (January) issue. Each company is designated by a number, and the companies' names and their corresponding numbers are shown.

On regular map paper, with metal edges top and bottom. Size, 23 by 33 inches. . . . For the shipper of commodities and household goods into the New York territory this map will be found invaluable.

Corporations Doing Business in Other States \$5.00
State Regulations and Requirements
By H. A. Haring

Custom House Guide 5.00
Contents include all warehousing regulations prescribed by U. S. Customs authorities, and information on how to become bonded; also warehousing standard terms and conditions.

The Distribution Age 3.20
A Study of the Economy of Modern Distribution.
By Ralph Borsodi

Household Goods Warehousing in the United States 6.00
Selection of site, building design and construction, accounting, stowing, insect control, estimating, cartage, packing, rates, insurance, etc.
By Clarence A. Aspinwall

The Merchandise Warehouse in Distribution 0.10
A Department of Commerce publication.

Simplified Rate Manual for Merchandise Warehousemen 3.00
Compiled and published by the Texas Warehouse & Transfermen's Association, Inc. A basis of scientific rate structure; an analysis of handling and draying revenues. In lots of ten or more, \$2.75 a copy.
By D. W. Tackett
Merchants Fireproof Storage Co., Inc., Dallas

Standard Contract Terms and Conditions 0.05
A Department of Commerce publication.

Suggestions for the Practice of Commercial Arbitration in the United States 1.85
Prepared by the American Arbitration Association.

Trade Associations: The Legal Aspects . . 5.10
Trade association law, statistics, uniform cost accounting, credit bureaus, purchasing, standardization.
By Benjamin S. Kirsch

Traffic Management \$3.70
A comprehensive treatment of traffic management.
By G. Lloyd Wilson, Ph.D.

United States Warehouse Act 0.05
Regulations, as prescribed by Department of Agriculture, for warehousemen storing canned foods.

Warehouse Directory (subscription to Distribution and Warehousing included) . . . 3.00
The industry's annual reference volume, containing statistics and data regarding warehouse companies throughout the United States and Canada. The 1929 edition appears as part of the January issue of *Distribution and Warehousing*. Single copies each 5.00

Warehouse Forms 0.10
Simplified Practice Recommendations No. 34 of the U. S. Department of Commerce. Describing and illustrating the standard warehouse documents approved by the Government.

Warehousing 10.00
Trade customs and practices; financial and legal aspects.
By H. A. Haring

Warehousing General Merchandise—An Encyclopedia
Prepared by the American Warehousemen's Association.
Regular Edition to A.W.A. members: Vol. I, \$10; Vol. II, \$5. Both 12.50
Regular Edition to non-members: Vol. I, \$15; Vol. II, \$7.50. Both 20.00
De Luxe Edition (limp leather binding, India paper) to A.W.A. members: Vol. I, \$15; Vol. II, \$7.50. Both 20.00
De Luxe Edition to non-members: Vol. I, \$20; Vol. II, \$10. Both 25.00

Please Send Payment With All Orders

This Month's Features in News and Articles

Census of Distribution

AN inventory of the country's manufacturing operations will be undertaken by the Government early in the new year. Production and distribution data will be compiled by the Bureau of the Census and made public to Business America. What Secretary Lamont's advisory committee has in mind is told on page 54.

Cold Storage Ethics

THE Federal Trade Commission and the cold storage division of the American Warehousemen's Association have formulated regulations setting forth what constitutes unfair competition, commercial bribery, price discrimination and kindred irregularities. This code of business practice, now formally approved by the Commission, is published in full—turn to page 41.

Collection Letters

JOHN T. BARTLETT, nationally known writer on business topics, believes there is psychology in dealing with customers who are chronically slow about making payments. He suggests that Jan. 1 is timely for warehousemen to send out letters. His article is on page 33.

Compensation Insurance

MANY warehousemen are familiar with common law liability of employers for injuries to employees, but few are acquainted with the technicalities created by the comparatively recent workmen's compensation laws. Leo T. Parker gives the background—see page 22.

Distribution by Air

AN aerial transport organization which may eventually cover the United States has been organized which will operate for the present along the Pacific Coast. This is something significant in the evolution of distribution. Turn to page 47.

Grocery Terminals

HERE is another development which may vitally affect warehouse accounts. The Associated Grocery Manufacturers of America is planning to establish terminals in principal cities. News story on page 54.

I. C. C. Docket 12681

THE Federal inquiry into charges for wharfage, handling, storage and other accessorial services at Atlantic and Gulf ports has been brought to a close after nine years. The findings of the Interstate Commerce Commission are set forth in an article by Michael M. McNamee, Jr. See page 15.

Motor Freight Competition

THE changing trends in distribution have brought the commercial storage business sharply up against this situation. The motor freight line which builds a terminal depot which becomes a warehouse must be controlled by warehousing or cooperated with—for here is competition which is already making inroads on established warehousing. What are storage executives' thoughts on the subject? Turn to page 7.

Motor Truck Regulation

IN Washington, D. C., the local Public Utilities Commission plans to place in effect on Jan. 1 a stringent set of rules affecting operation of trucks and vans. Because these regulations may serve as a pattern for authorities in other cities, they are of interest to motor vehicle operators everywhere. Story is on page 35.

National Advertising

THE American Warehousemen's Association stands at the threshold of something new—national advertising. How may the individual storage company benefit through such a campaign? Read H. A. Haring's answer, beginning on page 28.

Packing and Pilferage

METHODS of packing goods have a direct bearing on the cost of freight shipments. For traffic manager and warehouseman, H. A. Haring discusses this subject at length. His article begins on page 11.

Pioneers Pass

DEATH has removed three executives widely known in the warehouse and traffic world—George S. Lovejoy of Boston, Thomas D. Sullivan of Philadelphia and Charles A. Hall of New York. Sketches of their careers are on pages 48 and 49.

Searching Vans on Highways

WHAT is a police official's right? What should be the driver's attitude? In response to an inquiry from the Connecticut Warehousemen's Association, a New Haven court judge answers these questions. See page 44.

Space Occupancy

THE highest level since the Government began compiling warehouse statistics, nearly two years ago, was attained in September, when occupancy reached 74.4 per cent. Figures and comparisons are to be found on pages 24 and 25.

"The Crazy American"

THAT is what some Parisians call James H. Hoeveler, the Pittsburgh warehouseman, who went to France about a year ago and established a household goods storage business operated on lines he learned at home. Crazy or not, he is succeeding. Read Elizabeth Forman's story, page 18.

Trade Associations

LEADERSHIP in warehousing is in the hands of the industry's trade organizations. To it may be credited the rapid development of the storage business. What goes on at association meetings is important to know. *Distribution and Warehousing* publishes many thousands of words a year about association news and views which tell what "the other fellow" is doing and thinking. Turn to pages 41-46.

Washington Correspondence

DISTRIBUTION AND WAREHOUSING has a live wire news-gathering corps representing it at the National Capital. A veteran staff of writers is constantly in touch with all branches of the Government, and developments are interpreted from our industry's viewpoint. These stories are to be found on various pages of this issue.

Waterways Competition

WITH the Inland Waterways Corporation engaging, through its terminals, in competition with public warehousing, any information on this situation is necessarily timely and important. Washington correspondence—page 14—tells why, in the opinion of General Ashburn, standard terminals are essential to successful operation of the Federal barge lines.

H. A. Haring's

No. 49

New Business for Warehouses

Cashing In on the A. W. A. Advertising Campaign

MERCHANDISE warehousemen stand at the dawn of a new era in their solicitation of new business. Like the Indian figure of the familiar painting, who has risen in his stirrups with hand shading eyes as he tries to see the rising sun before it tips the horizon, the warehouseman will profit most who first is able to discern the on-coming of the new day in our warehousing.

For, within two or three months of the appearance of this issue of *Distribution and Warehousing*, the national advertising campaign of the American Warehousemen's Association will begin its "ten million advertising messages per year," as the plan was explained at the Los Angeles convention of a year ago. In about fifteen publications will appear a series of "educational advertisements" which will run for at least three years.

The main object of this campaign, with its cost of more than \$100,000 in three years, is "to present to all our prospects—to the presidents, vice-presidents, treasurers, general managers and sales managers, as well as traffic officials—the facilities and the services offered by the public merchandise warehouses."

We who know warehouses are not capable of appreciating how little is known throughout the business world about public warehouses. As one illustration, may I cite a personal experience?

By invitation I was speaking before a sales conference

of fifty-seven "distributors" of one of the very best known New England manufacturers. They had come to the factory for a three-days' discussion of their selling for a year ahead, and, at the invitation of the company's president, I had appeared to explain to these fifty-seven men how to use local warehouses for spot stocks and for financing their stock of goods. My talk lasted about twenty-two minutes. The discussion which followed, and their questions, occupied longer than an hour. There came to me that satisfaction of having done a good job, but, within an hour after I had taken a back seat to listen to other problems, the president beckoned me into the lobby.

"You shot over their heads," said he.

Then, in answer to my confused questioning, he shocked me by adding:

"Not ten men in this room know what a public warehouse is. I'm going to kill the speeches we had on the program after lunch and ask you to talk to us again. Explain about warehouses. Tell what they do, how they base their charges, how they save money for these distributors in fifty-seven cities. Give these fellows some A.B.C. stuff—they think a warehouse is a building like a freight station. Tell them what a warehouse *does*!"

To tell the story of warehousing to men such as these is the purpose of the national advertising campaign.

The Campaign Long Needed

IT has taken seven years to get the warehouses to the point of cooperating for this campaign. Then, after agreeing that it was advisable to do the advertising, it has taken eight or nine months to raise the money for the campaign. With the money in hand, the national advertising committee shows no disposition to do things in a hurry. They are not rushing out half-matured copy, but are taking time to make adequate preparation so that maximum good will result.

Although they know that such an educational effort has long been needed, they appreciate only too well that the entire campaign might become but a flash in the pan. In order to prevent this fatality it is necessary to have in readiness booklets and broadsides and information for those who are led to make inquiry. It is necessary, even more, for the warehouses themselves to be prepared to do their part.

No sane person should expect that, as soon as the first advertisements appear, a rush of new patrons will burn up the telegraph wires asking for space. No such thing will happen. It is, however, so well known as to be a certainty that, as the campaign progresses and as the

cumulative effect of seeing the advertisements grows, business executives who control company policies will react to the educational value of the work. These men are the type who may never have thought of a warehouse as part of their method of distributing goods. They will, with absolute certainty, gradually begin to make inquiries, to accumulate information, and to "get ideas." Then, when the time is ripe, they will adopt for their business a warehouse policy.

What the Campaign Will Do

THE committee, at Los Angeles, told the warehousemen that the campaign will do the following:

1. It will create new business for the warehouses.
2. It will keep present customers sold on public warehouse merchandising.
3. It will explain the industry to the public.
4. It will explain the industry to bankers, teachers, students of economics.
5. It will make better warehousemen of us all.
6. It will have a beneficial effect on our employees.
7. It will develop new prospects for the A. W. A. membership and thus better your local conditions.

First and foremost of these purpose is that of creating new business. Speaking of this objective, let me quote from Donald D. Davis, who is the professional advertising manager of the campaign ahead:

"Get that word 'create.' With this advertising campaign you are not trying to take an account away from the other fellow, but you are teaching firms, who have never heretofore used public merchandise warehouses, to use them. To create new business—that is the first and the most important function of the campaign."

Two Sources of New Business

THE sources for this new business are principally two.

First come those manufacturers who can be educated to abandoning their branch houses and coming to the warehouses.

The campaign will aim directly to show such concerns how and why they may reduce costs by abandoning their own branches. Inquiring manufacturers will be shown how to figure handling costs in their own branches so as to make fair comparisons with the figures quoted by public warehouses; how to obtain costs that rise and fall with volume of

sales because the warehouse charges no overhead on goods which are not handled; how to free branch managers from the irksome tasks of operating storerooms and delivery services; how to finance spot stocks; how to do "field" warehousing when they need it; how to multiply spot stocks without adding to total inventories or total costs; how to run the factory evenly through the year by using warehouses to absorb surplus stocks.

The second source of new business lies among the young business men and the growing concerns which know nothing about the physical distribution of goods. It is recognized that this country is filled with "starters out" who manufacture a specialty, or operate a jobbing business, but who have never had the chance to broaden out. Beginning in a small way, they have grown in size but not in knowledge of distribution.

Just as such young men know little of finance, they know nothing at all about distribution. For help in finance, they go to their bankers. For legal help they go to attorneys. For distribution helps they ought to go to the warehousemen—and to teach them of warehousing is one purpose of the campaign. As these young and growing concerns reach out from local sales to national distribution, as their zones of marketing spread further from home, the merchandise warehouse becomes the natural tool of their expansion. Thus young and growing concerns offer a field of new business for the warehouses, and which it is now hoped to educate.

Not a Task to Be Hurried

IT is not to be expected that these changes will come the first few months, nor the first year. Education is a slow process.

Few of us, as a commonplace illustration, can remember when or why we quit the old razor for a Gillette. Or the old soap and mug for a shaving cream. Each does, however, remember how he struggled mentally against the change for months, possibly years. The innovation seemed too radical to be satisfactory.

Then, one day, the "safety" razor was tried—only to tear the beard and slash the face. But, cumulatively with the roll of the months, the new way proved to be the better way. Today the man who clings to the old razor is as rare as the one who wears boots for shoes.

Yet the task was a slow one. Gillette spent a fortune teaching America, and finally the whole world, the better way to shave. Other "safety" razors there had been, some of them on the market for thirty years before Gillette applied for his patent. Some of them still do business, but to Gillette has come the cream because Gillette undertook an advertising campaign to educate men.

Advertising Not All of It

REMEMBER, however, that advertising alone did not do the trick. Gillette was obliged to "deliver the goods" by having a good product and by leading, always, in improvements.

Nor can the warehouses sit back in the

EARN A STAR

GIVE your company's listing, in the 1930 Warehouse Directory, added value by having the information notaried, thereby assuring it serious consideration when consulted by shippers and fellow warehousemen. Only when the information has been notaried does a listing receive the boldface Star.

expectation that new accounts will flock to them just because they have contributed to the campaign's chest. Each warehouse must put itself in order to make good on the high ideals set forth by the advertising campaign as the goal of good warehousing practice.

Trade associations without number are engaged in such campaigns as the projected one for warehousing, but the members do not quit by paying their *pro rata* share of the cost. Each, on the contrary, does more advertising for himself than he ever did before. Each does more aggressive selling, gets out finer literature, takes more pains with out-going letters, gives more attention to old customers.

This principle surely applies to warehouses.

More attention than ever before must be given to cleanliness of the house, to careful records, to prompt reports and accountings, to painstaking observance of instructions, to out-going correspondence, to dissatisfied patrons and complaints.

More Advertising, Too

THE individual warehouse must, as a further element, expect to do more advertising on its own account. Those managers who think to meet their three years' assessments for the national campaign by cutting off other advertisements will lose. They are not the ones who will benefit from the national education, because the most superficial investigation by a prospective patron will show up the facts.

"That house is slipping," is the most damning thing to be heard in trade circles.

To cut down on publicity is a sure sign of "slipping" in business. Should such a department store as Marshall Field in Chicago reduce its newspaper spaces by half, the results for the first week might not be perceptible. But, continued for six months, the daily sales of that store would slip terribly—so terribly, in fact, that one task of the advertising department of large retailers is to keep a running record of competitors' space in each newspaper.

Such cooperative campaigns as those for paint, candy, flowers, electric refrigeration, "neighborhood stores," "dollar day" sales, "buy at home," and the like, do not reduce the advertising of individual concerns.

Rather, and without exception, the reverse happens. The cooperative campaign entails additional outlay. That outlay creates a new interest in the product by "educating" the public for a new need.

Then, in order to cash in on the cooperative effort, in order to get a fair share of the newly created "business," the individual concern does more advertising on his own account. It is never a case of spend less. Always it is more. But, in return for the larger expenditure, comes more business and new business and more profitable business.

Such principles as these must be appreciated by the warehouseman who expects to cash in from the national campaign of the industry.

Three years ago, as an illustration of this principle, the confectionery manufacturers launched a campaign for national advertising, patterned after the campaigns of other industries. One after another, exactly as has happened with industry after industry, the manufacturers cut down their advertising in their own trade publications (which went to dealers and jobbers), with the thought that the campaign would develop new markets for candy and that they "would get their share anyway." Disappointment came quickly in this case, for, as the demand for candy grew all over the country, the old houses, who thought themselves so solidly entrenched with the trade, did not get their share of the increase. Instead, to quote the words of one of them:

"A lot of whipper-snappers grabbed off the business. Believe it or not, some little fellows that I didn't even know broke into the trade papers with big ads and they got the business. . . .

"All I can say is my own experience. I found case after case where the jobber just decided that we were out of the picture because we quit yelling about ourselves. The big campaign did a world of good for the confectionery trade, but the business didn't go where we expected it would. The fellows who financed the campaign and thought they were smart by saving from their established—and proved—advertising, are the ones who got left.

"No, sir! An advertising campaign means money, and it means more money than you've been spending. But it pays. My share was less than two thousand dollars, and the first year I didn't get much out of it because of the tactics I've been telling to you. Then I came to. Any concern, in any business in the world, can afford two thousand dollars a year when the year's business goes up a hundred thousand. Your overhead doesn't go up much of anything, except for the advertising account. What's two thousand against a hundred? Most any business will pay five or seven and a half per cent for a new account to any broker who'll bring it in—so what's two per cent for advertising?"

The Directory

AND above all, don't forget to place your advertising in the 1930 Annual Warehouse Directory issue of *Distribution and Warehousing*. Make it bigger and better than ever before, backing up your own individual institution and service in the publication that will get you the business after the general idea of warehousing has been to sell the customer.

FROM THE LEGAL VIEWPOINT

By Leo T. Parker

Priority of Charges

LEGAL EDITOR, *Distribution and Warehousing*: A customer ordered us to take his furniture to our warehouse and crate it for storage. It now develops that the furniture was not paid for, and our customer will not answer letters, or pay our bills. The seller of the furniture states that he can take the furniture from us without paying our bill. Can they do this?—*Eastern Storage Warehouse Co.*

Answer: The answer to your question depends entirely on the contract between your customer, the furniture company and yourself. If the seller holds a properly recorded chattel mortgage on the furniture, you can not be successful in collecting your charges. If, however, the furniture was sold on open account to your customer, undoubtedly your claim may be satisfied before the claim of the seller of the furniture.

However, if the seller holds a chattel mortgage on the furniture and you informed him that the furniture was being stored in your warehouse and he gave his consent and order to have the furniture stored, you are entitled to collect your charges. Again, if a special sales contract exists between the seller and the customer by which the latter agreed not to incur obligations against the furniture, and you were informed of this contract, obviously you are not entitled to collect the storage charges.

However, in view of the fact that you have not given details of the transaction, and as you must obtain dependable advice immediately, I would advise you to consult a local lawyer, explaining the details to him completely.

Selling Goods for Charges

LEGAL EDITOR, *Distribution and Warehousing*: We will thank you to advise if it is legal to sell a sewing machine, for storage, at a public sale.

Also, in case the sewing machine is held, and not called for after the sale, may it be sold again?—*I. D. Replogle Storage Co.*

Answer: The law is well established that a warehouseman, or other person, who desires to sell goods for storage charges, is required to mail a letter notifying the owner of the goods of the intended legal procedure and sale if he fails to pay the charges. Afterward the warehouseman is required to advertise the intended sale for a period of time specified by the law in the State where the warehouse is located. The goods must be sold in strict accordance with the peculiar laws of that State

and any variations from these laws make the warehouseman liable to the owner for the full value of the goods.

If the person who buys the goods at auction fails to call for them the warehouseman may again sell the same for accumulated charges, but the same legal procedure must be followed.

The Receipts Act

LEGAL EDITOR, *Distribution and Warehousing*: We should be very glad if you would advise us as to whether or not Section 20 of Part 2, of the Uniform Warehouse Receipts Act has ever been interpreted by any Court, and give citations of the cases. This section is as follows:

"Liability for non-existence or misdescription of goods: The warehouseman

What Don't You Know?

MR. PARKER answers legal questions on warehousing, transfer and automotive affairs. There is no charge for this service.

Write us your problems. Publication of inquiries and replies gives worth-while information to you and to your fellows in business!

shall be liable to the holder of a receipt for damages caused by the non-existence of the goods or by the failure of the goods to correspond with the description thereof in the receipt at the time of its issue. If, however, the goods are described in a receipt merely by a statement of marks or labels upon them or upon packages containing them, or by a statement that the goods are said to contain goods of a certain kind, or by words of like purport, such statements, if true, shall not make liable the warehouseman issuing the receipt, although the goods are not of the kind which the marks or labels upon them indicate, or of the kind they are said to be by the depositor."—*The Smedley Company.*

Answer: See the following cases: *Hole v. Milwaukee*, 29 Wis. 482; and 144 Atl. 473.

You can obtain these two cases at any first class library and a thorough reading of the opinions of the Courts will inform you of the law on this subject.

When you ship goods to fellow warehousemen—use the Warehouse Directory.

Taxation of Stocks

LEGAL EDITOR, *Distribution and Warehousing*: Our customers have favored several of our members with pool car business and their traffic manager is anxious to place stocks in various cities but has been advised against it by his legal department who claim that they would be subject to various taxes in every State that the stocks might be placed in. Is this tax collectable?—*National Warehousing, Inc.*

Answer: Probably the only method by which avoidance of "doing business" may be accomplished is where the seller sends a salesman directly from one State into another to solicit orders and these orders are shipped interstate. Any State is privileged to tax goods shipped from another state for distribution purposes. This is true although the salesman sends the orders directly to the seller who returns the orders to the warehouseman.

I can cite many cases supporting this established law if you desire that I do so. In Wisconsin, however, it has been held that a company which manufactures goods within the State is not subject to taxes in a different city, whereas a company shipping goods into the State is liable under the same circumstances. The latest case is 147 S. E. 289.

(Note: See H. A. Haring's article on this subject, in the November, 1929, issue of *Distribution and Warehousing*.—Editor.)

Responsibility for Accident

LEGAL EDITOR, *Distribution and Warehousing*: Will you kindly let me know if in any of your articles in "From a Legal Viewpoint" you have discussed the question of the responsibility of an owner who loans an automobile to a friend in case the friend has an accident?—*Manhattan Storage & Warehouse Co.*

Answer: The owner is not liable for injuries caused by a competent driver to whom the motor vehicle is loaned, if the owner entirely relinquishes his authority over the driver and the vehicle. If, however, the owner retains authority and controls the actions of the driver he is liable in damages for any injuries effected.

When Debtor Is Not Protected by Statute of Limitation

ALMOST everyone knows that a debt is "outlawed," and the debtor is relieved from paying the account, if the creditor permits the debtor to delay

making payment for a period of time specified by the laws of the State in which the creditor lives.

However, few persons are familiar with the fact that certain acts or statements, on the part of the debtor, will renew the debt, although it is barred by the statute of limitation.

For instance, in *C. H. Hyer & Sons v. Morrow*, 16 S. W. (2d) 938, it was disclosed that a creditor permitted a purchaser to delay paying an account until it was barred by the statute. Several months after the debt became "outlawed" the creditor wrote to the debtor demanding payment. The debtor wrote as follows:

"Today I do not have the money. Though believe I will shortly, because I believe in another week, I will be back in my store and I will do more business than have been lately. . . . On 9th Dr. Harris operated for gallstone trouble. On Oct. 25, came home and am fast improving. . . . For 25 years I have always paid and I'll make it a point to take care of your account just at earliest day, and I thank you. Very truly, J. N. Morrow."

The creditor filed suit, contending that in this letter the debtor had incurred a new obligation by promising unconditionally to pay the account, and that for this reason the debt was renewed.

It is interesting to observe that the Court held the debtor bound to pay the account, stating important law as follows:

"It is clear, we think, that the letter embodies a *distinct promise* to pay the debt evidenced by the open account. . . . In order to remove the bar of limitation from a barred indebtedness, there must be a new promise to pay the same, evidenced by writing on the part of the debtor. The liability of the debtor, in such a case, depends, *not* upon the old obligation, *but upon the new promise*. This new promise need not be expressed in the writing, *but may be implied from what is written*. An unqualified and unequivocal acknowledgment in writing on the part of the debtor, of the existence of the indebtedness, *unaccompanied* by expressions indicating an unwillingness to pay same, will raise the implication of a new promise to pay the indebtedness. But if the acknowledgment of the existence of the indebtedness be qualified by an expressed promise to pay same conditionally, a promise different from the one so expressed will *not* be implied."

Transfer Company Not Liable for Omitted Act Causing Damage

IT is important to know that an employee or agent is personally liable for damages resulting from his negligent act causing the injury. However, he is *not* liable for damages resulting from his *failure* to do something he should have done.

For instance, in *Galveston Wharf Co. v. American Co.*, 13 S. W. (2d) 983, it was disclosed that a shipper of canned sardines delivered to a steamship company 1125 cases of sardines for which

a through bill of lading was issued, shipper's order, notify American Co., the consignee. The sardines were transported to a warehouse owned by a company with which the steamship company had arranged to transport the sardines to the connecting railway. The warehouseman negligently failed to transport the shipment to the railway company on the day it should have delivered them and the following day the warehouse, without fault of the warehouseman, burned and the sardines were destroyed.

The consignee sued the warehouseman for damages, but as the warehouseman was the agent of the steamship company and its neglect consisted merely of an act of *omission*, and not one actually causing the damage, the Court held the warehouseman not liable, saying:

"Our Courts have uniformly held that terminal companies, belt line companies, and railroad companies performing a transfer, shifting, or switching service are acting in the capacity as the *transfer agent of the company for which the service is performed*, and not in the capacity of a carrier or railroad company. . . . If the warehouseman was serving in the capacity of transfer agent of the railway company . . . it follows that the delivery of the shipment to the warehouseman was delivery to the railway company. . . . The rule is that an agent is personally liable to third persons for doing something which he ought to have done, but *not* for *not* doing something which he ought to have done. . . . The steamship company had delivered the shipment to the warehouseman, and the warehouseman should have picked up the shipment of sardines and put them in the waiting cars of the railway company and failed to do so; such failure was an act of omission, and *not* of commission, of a positive wrongful act, and, under the rule the warehouseman would not be liable to the shipper."

Duty of Street Car Motorman Toward Operator of Motor Truck

IN *Highfill v. Wells*, 16 S. W. (2d) 100, an experienced motor truck driver stopped at a street intersection and, although he observed a street car coming, he attempted to cross the track at approximately five miles an hour. Before he was across, the street car struck his truck and effected serious injuries, for which he filed suit.

The driver of the truck testified that he estimated the speed of the street car at fifteen miles an hour, but that it was traveling at thirty miles an hour and that the high rate of speed at which the car was traveling resulted in his being unable to get across before the car struck his truck.

The street car company attempted to avoid liability on the contention that the driver of the motor truck should have waited until the approaching street car had passed before attempting to cross the tracks. However, the Court stated the important law, as follows:

"Although plaintiff was driving his

truck at the rate of only five miles per hour across the intersection, it is apparent at once that; if the street car had been running at the usual and ordinary rate of fifteen miles per hour, and not at the rate of thirty miles per hour, the truck would have cleared the track easily before the street car reached the point where they collided. Under the circumstances, we think it was for the jury to say whether or not the street car was operated at a dangerous and an unusual rate of speed, and whether or not the motorman's negligence, if any, in so operating the street car, was the proximate cause of the collision. True, the law required plaintiff, while driving his truck, to exercise the highest degree of care for the protection of his own life, limb, and property, as well as the lives, limbs, and property of others. . . . But, the mere fact that he attempted to cross the track in front of the street car is not sufficient to convict him of contributory negligence as a matter of law."

Modern Fire Extinguishment Required

IT is well established that a paid keeper of goods may be liable in damages for loss of goods by fire or other cause, where the evidence indicates that he failed to exercise ordinary care to prevent the damage. Moreover, it is important to know that liability may result where the merchandise is destroyed by fire as a result of the warehouseman's neglect to provide modern fire extinguishment equipment.

For instance, in the recent case of *Minerva Co. v. Cameron Co.*, 15 S. W. (2d) 62 it was disclosed that a night watchman discovered a fire in a warehouse which was not equipped with automatic fire sprinkler system. The night watchman gave the alarm, but the firemen were unable to respond in time to prevent loss of the merchandise stored therein.

The lower Court held the owner not entitled to recover the value of the stored goods, but the higher Court reversed this verdict, saying:

"The evidence was sufficient of actionable negligence in the failure to install an automatic fire sprinkler."

Motor Truck Owner Liable for \$19,000 Damages for Injury

IT is true that injuries caused by the negligent operation of motor trucks often result in allowance of extraordinary damages. For this reason, particularly, warehousemen should exercise more than ordinary care to employ competent drivers. Moreover care should be used to inform this class of employees of their unusual responsibilities.

For illustration, in *Kontur v. Public Service Co.*, 145 A. 472, it was disclosed that the owner of a garage was called out with his wrecking car to tow another car stalled on the public road at night. He backed his wrecking car up to the other car, and was between the two cars engaged in coupling them, for the pur-

pose of towing the damaged car to the repair shop, when a motor truck ran into the rear of the car, crushing the garage owner between the two vehicles. He was confined in a hospital for almost a year and presently has little or no use of his legs.

The lower Court held the owner of the truck liable for \$19,000 damages and the higher Court sustained the verdict, saying:

"He seems to be out of business permanently, and his earnings have dropped from some \$75 a week to \$25 a week. The medical and hospital expenses aggregate nearly \$2,000. We do not consider the verdict under the circumstances to have been excessive."

Legal Construction of Insurance Policy

GENERALLY speaking, an ambiguous insurance policy is construed in favor of the insured warehouseman.

For example, in *Koury v. Providence-Washington Ins. Co.*, 145 A. 448, it was disclosed that a warehouseman held an insurance policy which contained the usual clause and protected against loss of goods transported on motor vehicles "while in the custody and control of the assured."

While transporting goods at nighttime the lights on the motor truck were extinguished and he left the truck in a nearby garage. During the night some unauthorized person drove the truck from the garage and burned it and the merchandise.

The insurance company attempted to avoid liability on the contention that, when the loss was sustained, the truck was not in the custody and control of the warehouseman. However, the Court clearly indicated the insurance company's liability, saying:

"The vital question for determination is the construction of the words 'custody and control' in this policy. . . . The meaning of the words 'custody and control' is open to different interpretations. Being ambiguous, the language should be construed in favor of the assured."

. . . The language of an insurance policy should be construed liberally in order to accomplish the purposes for which it was made. . . . Loss by fire ordinarily is no excuse to the carrier, and this policy is an attempt to insure the truckman against such loss. For its own protection the insurance company has qualified the coverage in certain respects. It had the right, if the truckman would accept such a contract, to narrow its liability to the smallest limits. . . . That lawful custody and control so far as concerned the carrier's legal liability never ceased. The carrier became absolutely liable for these goods until someone obtained superior legal rights of custody and control, and it was partly for loss under circumstances where due care would not be an excuse, that the carrier took the insurance policy. It seems to us that a construction of these words favorably to the insured requires recognition that the insured is covered so long as the goods are within his legal custody and control. . . . It seems to us that if defendant company did not intend to cover the carrier while it had legal custody and control of the goods, it should clearly have so stated in the policy."

What Is "Material and Labor"?

IN *Cincinnati Co. v. Hess*, 162 N. E. 686, litigation developed over the expenses of moving equipment.

It was contended that, as the mover had supplied labor when moving the equipment, this fact entitled him to payment under bonds, mechanic's lien statutes and ordinances which authorize payment for "material and labor."

However, the Court held the rental charges and the expense of moving the appliances not included. In arriving at the decision, the Supreme Court necessarily determined the question whether or not the rental for the device was within the term "material and labor," and decided that it was not material and labor, but was to be classed as "appliances" or "equipment."

Expenses for Building Improvements Not Deductible Income Tax Expense

IN *George H. Bowman Co. v. Commissioner of Internal Revenue*, 32 F. (2d) 404, it was disclosed that a corporation rented a warehouse from month to month.

To better adapt the warehouse to the business it installed certain improvements consisting of an elevator, fire doors, partitions, and plumbing, at a cost of \$7,084.69.

The corporation in making return of its income and profits tax deducted from its tax the total cost of the improvements as business expense. The commissioner disallowed the deduction on the theory that the improvements represented a capital expenditure which could be covered only by annual deduction for depreciation extending over the useful life of the property.

The corporation contended that, as it rented the warehouse without a lease, the expenditures could not be calculated over a greater period than a single year.

However, the Court held the expenditures must be recovered by small annual deduction for depreciation extending over the life of the warehouse, saying:

"It is the law that a tenant who makes permanent improvements, on leased property, with the expectation of using the improvements in his trade or business during the term of the lease, may not deduct the cost as expense in a single year, but can recover only their cost by annual charges for depreciation."

. . . It is sought, however, to distinguish the instant case from the decisions cited on the ground that in those cases, the lease was for a fixed number of years, while in the present case the tenancy was merely from month to month.

"We are of opinion that the period of the lease is not controlling where it is shown that the tenancy extended for a period substantially beyond the taxable year in which the adjustment for the improvements is claimed."

★ Last Call On the Star! ★

By the time this issue of *Distribution and Warehousing* reaches you, the listings for the 1930 Warehouse Directory will be going into the hands of the printers.

If the information which you returned for the Directory was not notaried, write us immediately and ask that your listing be returned so that it may be notaried.

This is the last opportunity.

Information not notaried will not be Starred in the 1930 Directory.

"It's the Starred Listing that Get the Business!"

The New Year Is a Good Time to Send Out "Collection" Letters

A Suggestion in Business Psychology

By JOHN T. BARTLETT

NOTWITHSTANDING a popular tradition to the contrary, a considerable proportion of New Year resolutions are carried out. January 1 is regarded as, of all times, the most auspicious date for turning over a new leaf. Accordingly at this time special collection missives have been used by ingenious warehousemen with high success.

A California storage executive went over his ledgers and compiled a list of that "problem group" of every credit business—the customers whose constant tendency is to get behind, to be chronically slow, to have a balance which from month to month tends to increase. He got up a special New Years letter and sent it to these. This was the letter:

"Dear Customer—

"A new year is before us. We hope sincerely it brings you bounteous happiness and full measure of success.

"January 1 is fit occasion for new resolutions, and we of the ——— Company have determined to render this year the best service in our history.

"You, on your part, can help us much, and we trust that you will do this, by resolving to meet your account with us promptly each month.

"To carry out the type of service we have planned, with values absolutely the best in our history, it is absolutely essential for us to have the cooperation of our customers in this way, for we can not afford to carry accounts when they have become past due.

"Together, let's make this resolution—we'll work together, and we'll make 1929 a banner year for both of us in satisfaction from business done with each other."

Turning the Drift

Bear in mind that this letter was sent to a selected group of charge customers. They were people whose past habits had not been satisfactory. The danger that various ones of them would backslide still farther was present, and January 1 was seized on as the psychological moment for turning the drift.

The results which followed the letter were good. No business was lost by it, and it was definitely easier during the succeeding months to keep up collections to a satisfactory level.

A number of New Year stickers have been used effectively. One read like this:

"THE TIME TO BEGIN IS NOW—on that resolution that you pay your account promptly right through 1929."

The wording on a second was somewhat different—

"We've made up our mind to meet all bills promptly in 1929—have you?"

This was a third—

"I resolve, during 1929, to pay my merchants promptly each month on receipt of bill.—John Averageman."

In the case of a large Southern house, the New Year's work was done over the telephone. This is one of that growing number of warehouse concerns which uses the telephone regularly each month in collection effort. A list was compiled of customers who had received attention in this way in a disproportionate manner. It had got to be a habit with many customers, waiting to be "dunned."

The trained girls who handle each month the telephone collection work were given a new Years talk.

"We want to talk with you about your account, Mr. Jones. We have called you a number of times on the telephone the past month, and we know you dislike to be called, just as we dislike the necessity for calling you. Can't we talk matters over? What time in the month is most convenient for you to pay? If you tell us that, we'll mark it on the record, and expect your check without fail, and will not call you on the telephone."

In quite a portion of cases, the customer thus approached is cooperative. He mentioned the date of the month which was most convenient for him. This was usually, of course, when his pay check was received.

The operator then remarked, "We will expect your check at that time, Mr. Jones, and we won't call you. That's the pleasant way, and we'll keep it up, won't we?"

Of course, some of the delinquents who gave their promise in this manner failed to keep it; but the January

"drive" did have the effect of taking some of the "chronics" out of the category and putting them into the group of satisfactory customers.

If new credit terms are to be introduced, January is an especially favorable time for the measure. For a couple years an Illinois warehouseman had let his credit get in bad shape, in putting too much confidence in the bookkeeper who had charge. A new bookkeeper and credit man were secured. He saw the necessity immediately for much more strict policies. An announcement was prepared in the form of envelope insert, and mailed with all January statements.

The announcement, over the signature of the owner, stated frankly that he wished to be just as liberal in credit and collection matters as he could be; however, an audit of his books showed that credit policies of the past had been abused by occasional customers who had taken far more time to pay than the firm's terms presupposed.

In future, it was announced, the credit department had instructions to continue the charge privilege only with customers who met their accounts with promptness.

The fact that an announcement of this sort may arouse resentment is obvious. However, as against accounts receivable in very bad shape, and credit losses abnormally high, any loss of business resulting from such an announcement can be regarded as of minor consequence. Further, resentment may be much less if such an announcement is made Jan. 1 than at another time.

Lyon Chain on Coast Adds a Unit in Pasadena

The Lyon Storage Warehouse & Van Co., at South Fair Oaks Avenue and Congress Street, Pasadena, Cal., has been acquired by the Lyon Van & Storage Co., Inc., operating in various Pacific Coast cities with headquarters in Los Angeles, it was announced on Nov. 5 by W. Parker Lyon, Jr., of the Pasadena firm. Mr. Lyon will continue as manager.

Forty-one years ago W. Parker Lyon, Sr., financed his start in warehousing through the sale of a collection of postage stamps.

Hitch Your Warehouse to a Star

THE national distributor will look for the Star when consulting the 1930 Warehouse Directory in selecting points for storage. Will your listing be starred next year? It will be if you notified the information you returned.

MOTOR FREIGHT DEVELOPMENTS

FOR the busy executive of a warehousing business who is keen to keep abreast of the times there are several important new things to think about in the field of motor freight. Developments are following one another at a rapid pace, and all have a distinct bearing on the cost and opportunities of handling the hauling requirements of any warehouse business, regardless of its size. There are many advancements being made on the manufacturers' side of the industry, and some of these will be discussed in this department, which is conducted

By PHILIP L. SNIFFIN

THIS MONTH

Pages from a Truck Advisor's Notebook. Some Suggestions from Many Sources on "How to Improve Deliveries"

THIS month's article on deliveries is devoted to a number of observations and suggestions on miscellaneous phases of delivery operation. Care has been taken to make each one timely and practical. As a whole, they represent a group of points which do not, in themselves, justify a complete article. They will, however, be interesting to any warehouse executive who is responsible for the proper handling of motor vehicles.

One of the most successful operators of motor truck fleets in New York City was recently asked to give the important principles of motor truck use as he saw them. He set forth five fundamentals. Each deserves careful consideration by every truck operator regardless of his type of business or the number of trucks employed. They are:

1. In estimating the number of trucks necessary, we

consider average requirements and not maximum requirements, but do not overlook a small surplus which will permit regular overhauling of the entire truck fleet.

2. We select our trucks so that we can use their full tonnage capacity, with weight of goods given first consideration over bulk.

3. We let actual conditions govern the use of our trucks, rather than set inflexible rules.

4. We use trucks only when they afford greater advantages than any other agency of transportation available for that particular job.

5. Always in the employment of trucks we remember that depreciation, repairs and insurance represent the major cost of truck maintenance. Therefore we plan constant utilization so that they may work as many hours as possible during their lives.

Making Truck Repairs

MOTOR truck operators differ in their opinions as to whether the driver should be permitted to make repairs on his truck. Most of the larger fleet operators who employ a staff of skilled mechanics, forbid the driver to touch any of the vital parts of the truck. Others, and especially concerns having one or a few trucks, believe in employing good experienced drivers and holding them responsible for the truck's maintenance.

At any rate there is one important point, in this connection, which applies to all. The driver should not always be blamed when anything goes wrong with his truck. When this is done the owner creates a fear of reporting mechanical trouble which may be directly responsible for larger repair bills or a serious accident. Rather, the truck owner should gain the confidence of his drivers and encourage honest, efficient work.

Under any circumstances it is well to employ trained drivers, or at least to see that they are trained to the point where they know enough about the truck to notice symptoms of trouble and to trace them to the proper source. Above

all, the slightest symptom should be reported and attended to immediately.

Points on Inspection

ONCE a month is the interval agreed upon by motor truck authorities for minute inspection of equipment. Whether there is any indication of trouble or not, every detail of the truck's mechanism should be gone over carefully by an expert, with the aid of a chart if necessary.

The chart which guides the mechanics in the rigid monthly inspection should have every item and part of the truck listed, and they should be arranged in logical sequence. It should commence with the bumper, hood, starting crank, compression, pistons and so on down the line to the license bracket and tail light, so that the inspector beginning at the front end of the truck can examine every part in order without retracing a step.

This arrangement makes for speed in inspection.

Important Point on Driving

DIFFICULT grades can be made with greater speed and less fuel in intermediate than if the engine is per-

mitted to labor in high to the point of stalling. Contrary to popular supposition, the engine will cool better if it is not obliged to labor excessively.

The exhaust should at all times be kept clear of obstructions, and mud should not be allowed to cake on the outside of the muffler. The importance of this will be realized when it is considered that 40 per cent of the heat of combustion must escape through the exhaust. It follows, therefore, that if any part of the exhaust system is impeded, a part of this heat must be carried off by the cooling water, which will naturally raise the temperature above a safe limit.

Saving Gasoline Cost

ALTHOUGH the item of gasoline cost is comparatively small when considered among the totals involved in operating a fleet of motor trucks, yet it is quite possible to save a considerable sum on his delivery costs by economizing on this item.

A simple example will illustrate this point well. Suppose you are operating ten trucks averaging 45 miles a day and each getting an average of 4½ miles on

(Continued on next page)

Proposed Traffic Regulations for District of Columbia May Be Made Model for Other American Cities

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

PROBABLY the most stringent and extensive set of rules governing the operation of motor vehicles, including freight trucks and vans, ever ordained for any city, has been drawn up tentatively for the nation's capital and will be put into effect on Jan. 1 unless the Public Utilities Commission, Congress, or the District Commissioners have a change of heart.

Operators of all automobiles used for the public conveyance of persons or property will be privileged to appear on Dec. 16, before the Public Utilities Commission, of which Maj. Gen. Mason M. Patrick, former chief of the Air Corps, is chairman and suggest changes in the regulations. It is more than likely, however, that the new order will take effect in much the same shape it is in now.

While the rules are aimed primarily at taxicabs and buses, motor trucks and vans are given considerable attention.

The new and sweeping rules have been in preparation by the Commission for some time. It is known that traffic conditions and regulatory laws in many cities throughout the country were studied before they were promulgated. From these were culled what were thought the best provisions.

Although the proposed regulations go farther than those in other cities, it is the belief that they are to be put into effect here with a view of studying their effectiveness. If the new plan proves workable, it is possible that Washington will be held up as a "model city" in handling public vehicles for transportation of persons and property. Other cities would then be encouraged to adopt the system with a view of standardizing regulations throughout the United States, much after the manner in which President Hoover brought about the standardization of phases of thousands of industries throughout the United States while he was Secretary of Commerce.

This would then be the first step in the long talked of, but never seriously advanced, plan of standardizing traffic conditions throughout the country.

The tentative regulations require establishment of financial responsibility by the operators of all trucks and vans (this article being concerned only with those vehicles) either through proved

ability to pay, bond, or insurance; set forth a long list of mechanical requirements; specify that necessary qualification for drivers; prescribe the procedure to be followed when accidents occur; and forbid any individual, firm, or corporation to begin or to continue operation of any public motor vehicle until the requirements of the Commission are met.

Indicative of the stringency proposed is one provision that would bar from the streets any vehicle hauling property for hire which is not able to travel 35 miles an hour over a level street when fully loaded.

Under the new regulations no truck would be permitted until after its owner submitted to the Commission plans and specifications of the vehicle and they had been approved by that body. Specific approval of each new truck would also be required.

And furthermore "no motor vehicle company which has been granted a right to operate shall add any motor vehicle to its system at any time without first securing authority therefore from the Commission."

The operator of every truck would have to be of good moral character, 18 years of age, and be mentally and physically sound.

Haulage rates to be charged by each firm will have to be approved by the Commission, much after the manner in which the Interstate Commerce Commission now approves railroad freight rates, and the rules have been designed to delve into the financial phases of the various distributing business in the capital. It is provided that each company or individual owner of a truck shall keep an accurate record of the receipts from operation and operating and other expenses, and of other business facts, and submit it to the Commission on or before April 1 of each year, the same to contain a financial record of the enterprise for the preceding calendar year.

Any truck or van involved in an accident causing property damaging or injury to an individual would be towed to the owner's garage and kept there without repair for twenty-four hours.

The section setting forth the requirements of proof of financial responsibility follows:

"No person, firm, or corporation shall operate any motor vehicle, as herein

defined, unless and until the person, firm or corporation shall:

"(1) File with the Commission a sworn statement showing the ability of the person, firm or corporation to pay all damages which may result from any and all accidents due to the negligent use or operation of such vehicle; or

"(2) File with the Commission security, indemnity or a bond guaranteeing the payment by the person, firm or corporation of all such damages; or

"(3) Insure to a reasonable amount the person's, firm's or corporation's liability to pay such damages; and unless the person, firm or corporation shall

"(4) File with the Commission, as often as the Commission shall in writing demand, in form prescribed by the Commission, evidence of the person's, firm's or corporation's compliance with the provisions of this section.

"No motor vehicle company shall contract for insurance covering their operation in the District of Columbia for a less period than twelve months unless authorized in writing by the Commission."

Failure to maintain an ability to make reparations for injuries or property damage would serve to operate as a cancellation of the Commission's permit to operate the vehicle or group of them, whichever the case may be.

Each vehicle would be forced to keep in view the certificate issued by the Commission, operate at a speed reasonable and proper, and display two marker lights on the rear and a blue one on the front of the vehicle.

The view of the driver must not be in any way obscured by the load, and each operator of a motor vehicle, including, of course, trucks and vans, must mail not later than 2 a. m. each Sunday morning a detailed report of all accidents in which he figured during the preceding week.

"Every motor vehicle shall be equipped," the rules provide, "with a service brake that will enable the vehicle to be stopped within 50 feet from a speed of 20 miles an hour; and an emergency brake that will permit the truck or van to be stopped within 75 feet from the same speed."

The regulations were promulgated by the Commission under the general authority, it holds, to regulate public vehicles. The utilities Act provides a penalty of \$200 a day for violation of its rules and orders.

—Robert C. McClellan.

(Continued from previous page)

a gallon of gasoline. Then each truck would use ten gallons of gasoline a day, or the fleet uses 100 gallons. This, at say, 80 cents a gallon, costs you \$30 per day.

Now, if you could increase your average truck mileage to 5 miles a gallon,

which is only one-half mile more, you would then save 10 gallons or \$3 a day, \$18 a week, \$75 a month or \$900 a year—quite a worth while sum, you will agree.

Here are a few suggestions to help you in gaining the extra half mile or more:

(1) Turn the engine off when the truck is standing still.

(2) See that the carburetor is adjusted to give the leanest mixture possible; and above all, see that it does not leak.

(3) Be sure the spark is properly timed, and always drive with the spark



Here is the latest piece of motor equipment of the John Rhoads Co., Philadelphia—a Mack Model BJ 6-cylinder bus chassis with a 239-inch wheelbase mounted on dual wheels with heavy-duty balloon tires equipped with Goodrich air-containers. The vehicle is capable of a maximum speed of 50 miles an hour. The body, made by the A. G. Fischer Co., Inc., Philadelphia, is 21 feet long, 8 feet wide and 7 feet 6 inches high, and has 1,200 cubic feet of loading space. Panels are of wood. The interior is lined with hardwood panels and intervening pad boards, stained a natural wood varnish finish, and is electrically-lighted. The van is equipped with bumpers, spot light, mirrors and other novelties. The exterior is finished in vermilion red with gold lettering and striping. Whenever this large van is operating locally, the miniature truck, here shown by its side, follows it closely and is considered a good advertising medium; the smaller job is painted in conformity with the rest of the fleet, and the Rhodes company claims that the two are the largest and smallest vans in Philadelphia.

well advanced on the throttle.

(4) Remember that a truck going at high speed uses more gasoline than one going 15 or 20 miles an hour.

(5) Don't accelerate quickly, as this floods the carburetor and wastes gas.

(6) On long grades stop the engine and coast; or, at least, throttle down the motor.

What Gas? Which Tires?

ON many occasions the writer has been asked by motor truck operators regarding the difference between the various brands of gasoline, oil and other items of truck expense that are on the market. There is apparently a feeling on the part of the majority of operators that all gasoline is the same regardless of the name under which it is sold.

There is, however, a substantial difference, between most brands, which may be traced principally to the refining process employed. Elements of economy, power and effect upon the motor enter into a comparison of various brands and they are of sufficient importance to warrant exercising care in selecting the brand used.

While it is obviously impossible to make specific recommendations here, it might be suggested that the truck operator would do well to be guided by the practice of concerns which operate large fleets. In such cases this subject is usually investigated carefully and each brand examined and tested before one is selected for the standard. In addition, it may be said that the reputation of the producer will ordinarily serve as an indication of the quality of the product.

A concern operating trucks for the first time would do well to select tires on this same basis. This is an item of considerable importance, as the mileage obtained from tires makes an appreciative difference in the operating cost per unit.

A Good Maintenance Plan

HERE is a maintenance plan that has been used with rather exceptional success by an eastern concern operating

fifteen motor trucks of two and three tons capacities:

In the first place, when a man has been assigned to a truck he is told that it is his truck. He is held responsible for it and is given the sole privilege of driving it as long as he is in the employ of the firm. The company maintains its own garage, where minor repairs are also made. It has not been necessary to install a service car, as contingencies of service are prevented in the working out of the maintenance plan.

A night mechanic is employed. Each driver reports to him the condition of his truck at the end of the day. This mechanic attends to the oiling and greasing and makes whatever minor repairs are necessary. If, on inspection, he finds a truck unfit to go on the road, he reports this, and the machine is kept in until repairs are made.

At monthly intervals trucks are inspected by the truck manufacturer's service station, an idea which costs but little and which often reveals faults the mechanic overlooked.

The success of this plan lies in the fact that overhaul expense is reduced to a minimum. At the same time there is only little likelihood of breakdowns on the road which not only run into considerable expense, but which tend to eliminate the dependability feature of the delivery service.

Standardizing Equipment

A CONSPICUOUS tendency on the part of the larger concerns is that of standardizing as far as possible on one particular make and size of truck. There are certain indisputable advantages in this which are so important that the large scale operator cannot afford to overlook them.

A survey of equipment employed in the most successful delivery systems will show that the concern at the outset investigated and experimented carefully in order to determine just which make and size of truck were best suited to the requirements of the business. Frequently two or sometimes as high as five standard high grade trucks of different makes were installed, and minute records were kept of their individual costs and services. In this case the best test usually ran over a period of two years, after which the truck which revealed the best all-around record was adopted as the standard; the others were eliminated and replaced by new trucks of the same manufacture.

Provided a high quality truck, produced by a reliable maker, is selected, the truck buyer may be reasonably assured that the same or better quality will be maintained in that truck as new ones are produced from year to year. The truck manufacturer with an established reputation cannot afford to compromise quality at the expense of his reputation.

The chief advantages of standardization may be said to lie in the ability to keep on hand a supply of all truck parts for use in emergency, thus eliminating delay incidental to obtaining them from the manufacturer. Most large operators maintain a complete stockroom where parts are kept ready for immediate use. In addition to the minimizing of idle



The newest van of the Zaban Storage Co., Atlanta, is mounted on a Mack bus chassis with a 220-inch wheelbase. It is of all-steel construction and has a capacity of seven rooms of furniture. Pneumatic tires, dual rear, are used. Note the slogan—"Purveyors of 'Happy Moves'." This appears both on the van and in the Zaban firm's newspaper advertising. The truck has been named "The 'Jesse' after the newest daughter of the Zaban company's president, Harry C. Zaban.

truck time during repair periods, there is a considerable cost-saving effected by this method of supplying parts, as they can be bought in quantities in advance and shipped direct from the manufacturer or his nearest branch.

Many operators have found it advisable to keep spare engines on hand to substitute in trucks for those which need repair. The time-saving factor in this is obvious, but such a procedure is possible only when the truck fleet has been standardized.

Another important value of standardization is the fact that the mechanics and inspectors will accomplish far more when they have just the one type of chassis to work on. They soon become accustomed to specific symptoms of trouble and know immediately how to remedy the difficulty.

There is so much variation in the different trucks on the market that it is difficult for the mechanic to work as efficiently with a mixed assortment of models rather than with a standardized fleet.

Danger in Overloading

MANY truck operators do not appreciate the fact that overloading has a decided effect on the brakes, involving considerable danger.

The load increases the momentum of the vehicle in proportion to its weight so that the brakes on an overloaded truck must be applied with much greater pressure to stop.

In a business where overloads are frequently a matter of necessity rather than option it is well to instruct drivers to allow a longer time for bringing the truck to a stop when the truck is carrying more than the rated capacity. In emergencies, as in the case of stops to avoid collisions, the driver is apt to expect that his truck can be made to stop just as quickly regardless of the size of the load. As a result a considerable element of danger is involved.

The answer is: first, a truck should not be overloaded unless this is absolutely unavoidable; and second, a truck when overloaded should be driven slowly.

When to Replace Tires

IT is not generally known that at a certain time it is more economical to replace a solid tire than it is to keep it on the truck.

Just where or when this point is reached depends entirely on the tire and the treatment it receives. In a previous article it was shown that some tires wear down evenly and smoothly and others will be cut or torn or buised through variance of such operating conditions as speed, load, driving, roads and the like.

The economy of replacement is due to the fact that much damage is caused to the entire truck when run on tires with insufficient body or resiliency. One authority on tire use says aptly:

"The life of a motor truck depends on two things: first, the useful life of wearing parts such as bearings, gears, cylinder walls, pistons, etc.; second, the length of time that parts, which are

subjected to shock, will operate before they break from fatigue. Any piece of steel abnormally stressed to any great extent will eventually fatigue and break by crystallization."

Any operator who ever ran a motor truck any length of time on thinly worn solid tires knows that such parts as springs, axle centers, spindles, steering arms and rear axle shafts are seriously affected in this way. Unnecessary and destructive strains are inflicted, which in turn tend to shorten the life of the entire truck, if the operator fails to replace his tires when their life is gone.

It is generally recommended that a truck operated on cobblestones or rough pavements should have its tires replaced when they have worn down the rubber to within one inch of steel base. Under the best conditions of smooth surfaced roads, most authorities agree, a width of $\frac{3}{4}$ inch is the minimum required for proper cushioning. The condition of the rubber, of course, has much to do with determining the point at which a solid tire should be replaced, as, if abused, it may be valueless from a standpoint of service even though it may be two or three inches in thickness.

It is genuine temptation to keep the truck running on solid tires worn too thin to be useful, but it takes only one such experience as a rule to convince an operator that it is merely "robbing Peter to pay Paul."

Suggestions for Driver

HERE is a list of pertinent suggestions on motor truck driving that deserves a conspicuous place in your garage. It was prepared recently by the traffic manager of a large company operating a fleet of motor vehicles. Typewritten copies on memorandum forms were distributed among the drivers and posted as bulletins. The list in complete form is as follows:

"Don't try racing with a touring car; your truck was built for strength and not speed.

"Wash your truck frequently; a dirty-faced delivery car spoils a lot of your employer's printed advertising.

"Don't neglect a squeak; noise is a protest against disuse of squirt can and grease gun.

"Street car tracks are nice for springs but hard on tires—and steel costs less than rubber.

"Don't keep extra spark plugs and other delicate parts in with wrenches and jacks; the hash they make isn't good truck diet.

"Don't neglect a loose part, even though it seems to operate more freely that way.

"Don't take it all in one load if it should be hauled in two; a single straw overloaded broke the well-known camel's back.

"Letting her coast full tilt down hill only means harder pulling to get her up the next one.

"Don't forget to watch the fellow ahead; a quick stop on your part nearly always costs you a punctured radiator.

"Use your brakes when getting 'spot-

ted'; platforms were built to load from, not for bumping posts.

"Don't drive too close to the curb; edge trimming is a fine institution for pie crusts, but too expensive for truck tires.

"The steering wheel is vastly important, but it is well also to give the grease cups an occasional turn.

"Don't slide the rear wheels when stopping; rubber pavement polishers are too much of a luxury even for your boss.

"Make haste slowly—especially when going around corners on a slippery pavement.

"Don't let the motor 'idle' while you're making a delivery; the radiator won't freeze during a reasonable stop."

"Don'ts" on Accidents

THE following is a list of suggestions which was printed on small cards and tacked inside the truck cabs by one operator in Boston:

"1. Don't cut corners.

"2. Don't 'cut in' short after passing a vehicle.

"3. Give the proper signal whenever your action in starting from the turning, in changing your course, or stopping, may reasonably be said to affect other traffic.

"4. Don't consider driving at maximum speed within the law—the legal speed is a safe speed at all times.

"5. Don't turn except at corners in business districts and close built-up sections.

"6. Don't pass street cars discharging passengers closer than six feet or at a greater speed than 10 miles per hour.

"7. Don't attempt to pass a vehicle, if there is another vehicle approaching from the opposite direction, unless the road is clear for 100 yards.

"8. Don't drive your car out of the garage without knowing your brakes and steering gear are right and your headlights comply with the law.

"9. Don't forget to slow down when you observe children playing near the curb or in the street. Remember, they have not the wisdom of an adult.

"10. Don't expect the pedestrian to know the road rules."

Hints on Truck Care

THE following are miscellaneous bits of advice on phases of truck operations quite frequently neglected. Perhaps one or more of them will serve to answer some particular problem connected with your trucks, or they may offer an idea of practical value.

1. Radiator leaks are often hard to locate, especially when they are little ones. In these circumstances empty the radiator completely and blow smoke into it through a jeweler's blow-pipe. This will discover the location of the leak. A little soft solder on the end of a wire will enable you to reach places where common soldering cannot be carried out.

2. Keep the exhaust clear of obstructions and do not allow mud to cake on

outside of muffler or to clog the outlet.

3. The radiator must be filled as full as possible. Do not allow the overflow pipe to become clogged or flattened by a blow or kick or slip down in the radiator.

4. Many trucks have no provision aside from a strainer in the tank for keeping dirt from the carbureter. Owners of such vehicles will do well to fit a trap in the fuel line. All the better carbureter-makes offer these traps, which are to be placed in the line near the carbureter or in the bottom of the tank. The trap catches all the dirt and water, and they should be cleaned out regularly once a month.

5. The short circuiting of a spark plug that causes misfire is seldom at the spark gap. Oily surfaces of the porcelain collect and retain metallic wear products which invite the current to avoid the gap and prevent the spark jump that is needed to get ignition. The quality of the spark plug makes no difference. The surfaces must be cleaned to restore proper action.

6. It is easy to lock a nut securely by having the bolt a little longer than is needed and then rivet the project end a little after the nut is screwed in place. When a nut is to be removed it is necessary to file out the riveted part.

7. Never dip into the gasoline tank with a handful of cotton waste when you have something to clean. Cotton waste can cause more trouble with the carbureter than any amount of dirt. Always strain gasoline through a chamois filter, and if you use a measuring stick be sure that it is always clean before being inserted into the tank.

8. If, through the accumulation of sediment or dirt, the overflow outlets from the radiator become clogged and don't fulfill their functions, the result is that the internal pressure generated will follow the line of least resistance and force a leak at a point where the radiator is the weakest.

9. Keep watch for the green deposit which sometimes forms around the terminals of your storage battery. Unless acid has been spilled on them it indicates a slight leak in the sealing compound, which should be closed up. Meanwhile clean off the terminals thoroughly and cover with cup grease to prevent further corrosion.

Greyhound Fleet

THE Greyhound Lines, understood to be identified with the Pennsylvania Railroad, and organized to transport household goods by motor truck in all parts of the country, has placed an order with Fred L. Meckel, Chicago, for a number of vans specially constructed for the business which the lines will carry on. They are of the de luxe type, dust-proof and waterproof, with Met-L-Wood panels and with aluminum-covered doors and cabs. Each will be mounted on a Fageol bus chassis.

Ohio Truck Insurance Ruling

C. S. YOUNGER, head of the Ohio Insurance Department, has notified insurance companies doing business in

Ohio that after Dec. 1 they must cease improper fleet coverage of automobiles with motor trucks. This practice as followed in Ohio is characterized as "unfair competition," an unethical practice and a violation of the Ohio anti-rebate insurance law.

The notification calls attention to a previous ruling, which held it to be a violation of the law for insurance companies to write fleet insurance and give employees as well as employers the advantage of the lower rates.

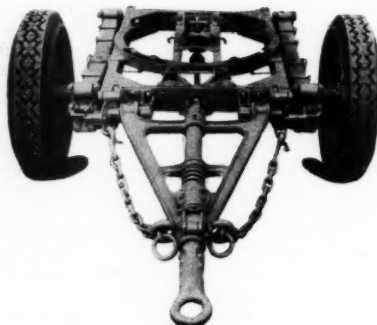
The combining of individually-owned automobiles in fleet coverage is what is aimed at. Mr. Younger said:

"The inclusion of individually-owned private automobiles in a fleet coverage, or in a group coverage or by any other plan, is discriminatory and an unjust advantage against other owners of the same type of automobiles. Stringent measures will be taken to enforce the ruling."

New Trailmobile Product

A NEW 4-wheel trailer with self-lubricating fifth wheel has been announced by the Trailmobile Co., Cincinnati.

The fifth wheel consists of an upper and lower section. The base or lower section is heavy cast steel with four



Trailmobile Co.'s new four-wheel trailer with self-lubricating fifth wheel

large integral oil reservoirs. In each reservoir are two rollers, which, by light spring pressure against the upper circle, agitate the oil with each turn of the front wheels of the trailer, and thereby keep both plates correctly and thoroughly lubricated at all times. These rollers do not support any weight, their only function being to lubricate the circles. The oil reservoirs are filled through Alemite fittings conveniently placed outside of the frame.

The advantages that accrue from this principle are:

1. Complete lubrication at all times. Oil reservoirs require refilling only periodically.

2. Assurance of even wear and smooth surface.

Under the roller-bearing type of fifth wheel formerly used the hard steel roller bearings after a time would indent the upper and lower plates, necessitating taking trailer apart, removing rivets in both plates, turning plates around, and

re-riveting them to the trailer. The possibility of such distortion of fifth wheel plates is entirely eliminated by the self-lubricating fifth wheel.

The aim has been to produce a trailer which will travel at maximum speed either on the highway or through city traffic with confidence on the part of the driver that it is trailing positively and without menace to passing traffic or damage to cargo.

Fruehauf Trailer Buys Warner

THE Fruehauf Trailer Co., Detroit, has acquired control of the Warner Manufacturing Co., Beloit, Wis., one of the country's oldest trailer manufacturing firms and with distributors in more than twenty cities.

The Warner company will continue to operate as an independent unit with the same management and sales personnel. Its headquarters, however, were removed to Detroit on Nov. 15 and all administrative and production activities are being carried on there.

The step marks the amalgamation of two of the oldest trailer making organizations and places Fruehauf in a strong position with regard to patents.

Would Abolish Compulsory Insurance in Massachusetts

AN initiative petition for establishment of a Massachusetts State motor vehicle insurance fund has been certified to by Attorney General Joseph E. Warner for presentation to the next Legislature. The petition was brought by Frank A. Goodwin, chairman of the Boston Finance Commission, and provides for the repeal of the present compulsory personal liability auto insurance law and the substitution therefor of a State fund.

The bill calls for a reduction in the personal liability auto insurance rate in the larger cities in the eastern part of the State. It makes the rates throughout the Commonwealth uniform on the following scale: pleasure passenger cars, \$16; trucks, \$25; buses and taxicabs, \$50, and motorcycles, \$16.

The fund would be supervised, under the plan of Mr. Goodwin, by a board of three members to be appointed by the Governor. It would have the authority to alter classifications or contributions; in other words, premiums.

False statements made in the presentation of claims would be punishable by a minimum fine of \$1,000 or imprisonment for one year. A maximum imprisonment of two and a half years would be provided for persons obtaining compensation under the State fund as the result of false statements.

D. & R. G. to Expand Truck Service

EXPANSION of truck and bus operations to supplement its rail service was announced by the Denver & Rio Grande Western Railroad Co. in Denver on Nov. 7 with the filing of two applications for certificates of public convenience and necessity with the Public Utilities Commission by the Rio Grande

Motor Way, Inc., a subsidiary of the railroad.

This motor subsidiary has been operating over several routes, including a line between Alamosa, Monte Vista and Salido. Its expansion is coincident with action of the Union Pacific Railroad in inaugurating extensive bus service paralleling its rail lines, through a subsidiary, the Interstate Transit Lines.

The applications stated that the parent railroad would guarantee funds for the purchase of any additional equipment needed by the motor line in operating the two new routes. Permission to operate in both Utah and New Mexico will be requested from the Commissions of those States if the Colorado applications are granted, the applications stated.

Freight Line Truck Seized for Taxes in Colorado

A TRUCK belonging to the operator of a freight line between Sterling and Denver has been seized and will be sold by the State Public Utilities Commission because the operator had failed to pay the State highway compensation tax, amounting to \$271, it was announced in Denver on Oct. 30 by W. C. Reid, a Commission inspector. After the Commission has sold the truck, the amount of the delinquent tax, interest and expenses will be deducted from the proceeds.

Interstate Truck Jurisdiction to Be Considered by Mississippi

THE Mississippi Railroad Commission is for the first time confronted with the question whether it should take jurisdiction over interstate truck and bus operation, according to J. W. Williams, the Commission's secretary.

The Arrow Freight Lines, Memphis, Tenn., has filed application for certificate of convenience and necessity for the operation of a motor freight line between Jackson, Miss., and Memphis. This is the first application in Mississippi for such a certificate.

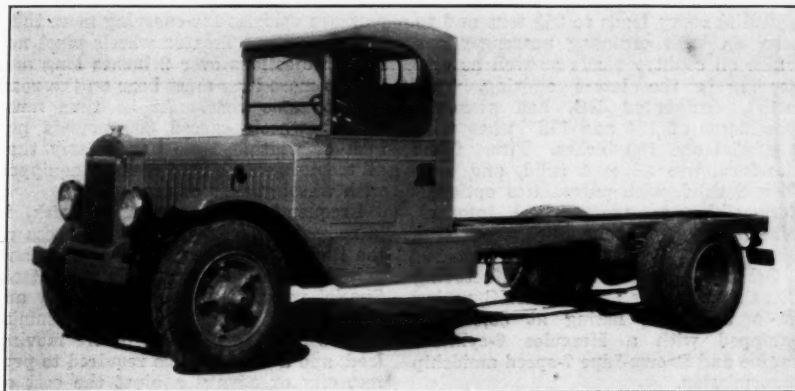
Indiana May Limit Truck Loads

AN effort to limit the length and weight of motor vehicles in Indiana will be made at the next Legislative session, in 1931, according to John J. Brown, director of the State's highway department.

Ford Reduces Truck Prices

Ford Motor Co. has effected price reductions ranging from \$15 to \$75 on its line of commercial cars. Following is the list of old and new prices, with reductions, as of Nov. 1:

| | New Price | Old Price | Reduction |
|-------------------------|-----------|-----------|-----------|
| Model AA truck chassis | \$520 | \$540 | \$20 |
| Model AA panel delivery | 800 | 850 | 50 |
| Model A chassis | 350 | 365 | 15 |
| Model A panel delivery | 590 | 615 | 25 |
| De Luxe delivery | 550 | 595 | 45 |
| Pick-up open cab | 430 | 445 | 15 |
| Pick-up closed cab | 460 | 475 | 15 |
| Taxicab | 725 | 800 | 75 |
| Station wagon | 650 | 695 | 45 |



The Mack Trucks, Inc., new BC model 6-cylinder designed to carry loads up to 2½ tons. Standard wheelbases are 154 and 172 inches.

Recent Models

GENERAL MOTORS TRUCK CO., Pontiac, Mich.: By the use of heavier worm-drive axles, 2-stage rear springs and larger tires, Model T-60 is now available in eight new chassis types. These are known as T-60 Specials and have vehicle gross weight capacities ranging from 19,000 to 22,000 pounds. One standard and two optional gear ratios; four wheelbases (140", 160", 180" and 200" inches), and two different sets of tire sizes are built into the eight types, which are numbered from 6101 to 6108 inclusive.

The company announces also a new deluxe 9-foot panel body for mounting on the 133½-inch Model T-18 chassis. Equipped with this extra-length body, Model T-19 weighs 4000 pounds, which leaves 2000 for load. The inside length is 108 inches; width, 51½ inches, and height, 55 inches. Rear doors are 50 5/16 inches high and 47½ inches wide.

Indiana Truck Corporation, Marion, Ind.: Two models in the 5½-ton and over classification have been added, both powered with 6-cylinder Model 16H Continental engines and equipped with Brown-Lipe seven-speed amidship transmissions. They differ in rear axle construction, Model 290 being equipped with a conventional Timken worm-drive rear, while Model 640 is equipped with a Timken tandem worm-driven rear.

Kenworth Motor Truck Corporation, Seattle: Replacements and additions are announced. Model VS is a new 1-ton chassis which does not replace a former model, while Models 100, 125 and 145 replace the former models, namely Model 45 in the 1½-ton class, Model 55 in the 2-ton class, and Model MH in the 2½-ton size. Former Models G and J also are replaced by Models 184 and 185, both rated at 3 tons. Model 345 is a new 10-ton 6-wheeler, and Model NT a new 10-ton tractor-truck. With the exception of the VS model, six-cylinder engines, Brown-Lipe clutches and transmissions and full-floating

Timken axles are common to the new models. The 1-ton model is equipped with a 6-cylinder Continental engine and semi-floating bevel Clark rear axles.

LaFrance-Republic Corporation, Alma, Mich.: The 1-ton truck field is entered with a 6000-pound straight rating vehicle, Model A-1, listing at \$900 f.o.b. Alma, deliveries starting late in November. Features are a 58 hp. 6-cylinder truck-type engine; 4-speed heavy-duty transmission; 4-wheel hydraulic brakes, internal expanding; 6-inch frame; bevel gear rear axles; 32-inch wheelbase; balloon front tires; truck-type rear tires; generous road clearance; low center of gravity; easy steering; metal spoke wheels; acceleration, and operating economy.

LeBlond-Schacht Truck Co., Cincinnati: Production of five new models extends the Schacht line to ten units. The new vehicles, which replace former models of the same carrying capacities, range from 1 to 5 tons and are designated, rates and listed as follows: Series 15, 1½-ton, \$1,765; Series 20-A, 2½-ton, \$1,950; Series 25, 3-ton, \$2,295; Series 30, 4-ton, \$2,975, and Series 40, 5-ton, \$3,400. Series 20, a 2-ton chassis listing at \$1,850, is the only job in this range that continues the same as formerly. Series 60, 65, 70 and 75, the heavier units of the line, are unchanged in price and specifications. Six-cylinder engines, unit-mounted 4-speed transmission, full floating rear axles, Spicer universals, Ross cam-and-lever steering, pneumatic tires and Lockheed four-wheel hydraulic brakes are common to all the models in the 1½ to 5-ton range.

Maccar Corporation, Scranton, Pa.: A new 2-ton 6-cylinder chassis is known as Model 40, which is offered in four wheelbases ranging from 126 to 182 inches. It is equipped with a 6-cylinder engine, multiple disk clutch and 4-speed transmission mounted in unit. Service brakes are 4-wheel Lockheeds and the hand brake is of the disk type mounted on the transmission.

Mack Trucks, Inc., New York City: A new model 6-cylinder fast vehicle, de-

signed to carry loads to 2½ tons and to keep up with ordinary passenger car traffic on country roads as well as city streets, is the latest offering. This model, designated BC, has standard wheelbases of 154 and 172 inches with a special one 190 inches. Tires, front standard, are 36 x 4 solid, and rear 36 x 8 solid, with pneumatics optional. Service brakes are 4-wheel internal. Wheels are steel spoke.

Oshkosh Motor Truck Manufacturing Co., Oshkosh, Wis.: Model HXC, rating at 4 tons and listing at \$5,075, is equipped with a Hercules 6-cylinder engine and Brown-Lipe 7-speed amidship transmission.

New Wisconsin Law Regulates Size and Weight of Trucks

WISCONSIN has a new law governing width, length and weight of motor trucks. A summary issued in Madison on Nov. 9 by C. N. Maurer, State traffic engineer, explains:

Eight feet is the maximum over-all width allowed on new trucks. Dual-tired trucks bought prior to July 1, 1929, may be used if their over-all width does not exceed 8½ feet. Farm tractors must not exceed 9 feet in width, but all other farm implements are exempt.

For over-all length, three groups are considered: First, single trucks, 33 feet maximum; second, truck-tractor with semi-trailer and trailer, 60 feet maximum; and in cities and towns where a special permit is used, tractor trains must not exceed 100 feet. In the latter case a flagman must precede the train at all intersections.

Weight regulations apply to total gross weight, to the distribution of that weight, the size of tires and weight per wheel. On each side of every truck the net weight, tare weight, and gross weight must be painted. These are the registered weights.

Overloading a truck in excess of registered amounts may result in fines up to \$100 or revocation of license. Net weight is the weight equipped for service, tare weight is the maximum load it is supposed to carry and gross weight is the sum of the truck and load weights.

Gross weight limitations are fixed according to the class of roadway. Roads are to be classified annually by the State Highway Commission. The following table gives these limits in pounds:

| | Class A | Class B |
|--------------------------|---------|---------|
| Four-wheel | 24,000 | 19,000 |
| Six or more wheels | 36,000 | 22,500 |
| Semitrailer | 19,000 | 12,000 |
| Weight per axle | 19,000 | 12,000 |
| Weight per wheel | 9,500 | 6,000 |

All motor vehicles, trailers, and semi-trailers must have rubber tires at least 1 inch thick and without flat spots more than 3 inches long on the circumference. The weight per inch of the tire width shall not exceed 800 pounds.

A 5-inch tire could, therefore, carry a 4000-pound load, but a 12-inch one would be required to carry the maximum allowable of 9500 pounds.

Metal tires less than 3 inches wide are prohibited on all roads except on

pleasure vehicles not carrying more than eight persons. Tractor wheels must not have projections over 2 inches long and two or more lugs must bear on the road at the same time. At no time must tractor wheels exceed 800 pounds per inch of width. Note particularly that all tractors on the road must be equipped with wheel guards or fenders.

Frequently, in construction work, it is necessary to move loads in excess of the limits allowed or carry girders and poles longer than regularly permitted. Special permission from proper city authorities or county highway commissioners must be obtained before moving load, and a bond may be required to protect city or county against the cost of repairs to road caused by moving the excessive load. Public service companies, moving poles and the like, can obtain an annual permit from the State Highway Commission.

The code specifies that the load must not project more than 3 feet in front of the vehicle, must not hang over the left fender, and not more than 6 inches over the right fender. If the load projects more than 4 feet beyond the rear, a red flag at least 12 inches long must be attached to the rear end.

Cleveland to Be Truck Owners' Mecca in January

ATTENTION of truck owners will be centered on Cleveland next Jan. 29 to 31 when important groups in the commercial vehicle world will assemble there for convention sessions and for the commercial vehicle exposition which will be conducted in connection with Cleveland's annual automobile show.

On Jan. 29 a special one-day session of the Truck Association Executives of America will be held, followed on Jan. 30 and 31 by the annual meeting of the Ohio Association of Commercial Haulers.

The Cleveland Automobile Show will be held Jan. 25 to Feb. 1, and because of the conventions scheduled a special commercial vehicle exposition has been made a part of the show.

Represented at the Truck Association Executives of America meeting will be the Motor Truck Club of Kentucky, Ohio Truck Owners' Association, Cincinnati Team & Motor Truck Owners' Association, Pennsylvania Motor Truck Association, Dakota Motor Carriers' Association, Minnesota Truck Owners' Association, Iowa Truckers' Association, Motor Truck Association of Connecticut, Motor Truck Owners' Association of Chicago, Motor Truck Association of America, Nebraska Motor Transport Association, Ohio Association of Commercial Haulers, Motor Truck Club of Massachusetts, Maryland Motor Transport Association, Motor Truck Association of Indiana, National Team & Motor Truck Owners' Association, Wisconsin Truck Owners' Association, Michigan Motor Truck Association, Louisiana Motor Transport Association, and the Missouri Truckmen's Association.

The exposition and convention sessions all will be held in the Cleveland Public Auditorium.

Shipping by Trucks Is Increasing

TRUCKS transporting freight on the public highways are apparently steadily increasing in number, but the width of most roads in the national system is sufficient to accommodate them without serious difficulty, according to the Bureau of Public Roads, Department of Agriculture.

There are now 625,000 miles of surfaced roads in the United States, the majority of which conform to the generally accepted standard width of 20 feet, it is stated, and the Bureau has announced the following recommendations:

"1. The roadway surface for all two-lane roadways should be 20 feet exclusive of space for parked vehicles. Roadways of 19-foot width in good condition are classed as satisfactory but these should be widened to a minimum of 20 feet as rapidly as conditions permit except in the case of extremely light traffic routes where the widening is less urgent.

"2. Normal distribution of traffic requires an even number of traffic lanes. When the volume of traffic exceeds the capacity of a two-lane roadway a four-lane roadway (approximately 40 feet), exclusive of space for parked vehicles, is recommended. The three-lane roadway is found satisfactory in a few cases where there are very pronounced peak periods of traffic in alternate directions at different periods of the day, and particularly when the acquisition of right of way for a four-lane roadway is extremely difficult or prohibitive in cost. The three-lane roadway, when used, requires lane marking and careful traffic control.

Two-Traffic Lanes

"3. All roadways designed for more than two lanes of traffic should have complete lane marking and provisions should be made for regulation of traffic in conformity with the lane marking.

"4. Assuming that the roadway is designed for the accommodation of moving traffic, the choice of any width between 20 and approximately 40 feet, except in the relatively few cases where the three-lane roadway is satisfactory, is normally uneconomical, as excess of width above 20 feet adds but little to the traffic capacity of the roadway. If the additional width is intended to provide space for parking, such widths as 22, 24 and 27 do not permit parking without obstruction of the normal traffic lanes.

"5. Under open road conditions, i. e., through areas outside of suburban development, with little local traffic and relatively infrequent cross routes, the normal traffic capacity of a two-lane roadway, at a traffic speed of 25 miles per hour, is approximately 10,000 vehicles per day. In suburban sections, with parking adjacent to the roadway surface, and a larger volume of cross traffic and local traffic, the capacity of a two-lane roadway is reduced to approximately 8000 vehicles per day. An abnormally high proportion of large-capacity trucks, buses or other slow-moving vehicles will decrease these limits."

WITH THE ASSOCIATIONS

HERE is presented in tabloid form the Association news that is of general interest to the industry as a whole. No effort is made to present complete reports of all Association meetings; the dissemination of such information is logically the work of the officers and the committee chairmen. What is presented here is in effect a cross-section review of the major activities so that Association members may be kept advised as to what "the other fellow" elsewhere in the country is thinking and doing. When annual or semi-annual meetings are held, more extended reports will occasionally be published.

Cold Storage Warehousing's "Code of Ethics" Is Approved Formally by the Federal Trade Commission

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

FORMAL approval of the "code of ethics" formulated by the cold storage industry is announced by the Federal Trade Commission. These rules of business practices within the industry define some of the actions held to constitute unfair competition. They place the disapproval of the industry as a whole upon such irregularities as issuance of a warehouse receipt when the products for which it is issued have not been received by the one issuing the receipt, and the issuing a negotiable warehouse receipt for stored products of which the one issuing such receipt is owner, without stating the fact of ownership.

Other practices condemned as unfair methods of competition include misrepresentation of the cold storage business or its methods or the facilities furnished; commercial bribery; price discrimination; interference with contract; secret rebates; selling facilities or services below cost, and selling without profit to injure a competitor.

These declarations of acceptable business ethics were drafted by the trade conference of the commercial cold storage industry, including the cold storage division of the American Warehousemen's Association, in Minneapolis, on July 2, under the direction of Commissioner Charles H. March and M. Markham Flannery, director of trade practice conferences for the Federal Trade Commission. Practically all of the resolutions except three, agreed upon by the Minneapolis conference, met the approval of the Commission, although two or three were revised in minor particulars. The "code" approved by the Commission will become effective Dec. 9.

The Commission accepts 12 rules as officially condemning and defining methods of competition that are unfair. These rules are classified as Group 1. As Group 2 rules, the Commission accepts four statements as the expression of the trade covering such matters as publication of prices, subsidizing customers, and the creation of a committee on trade practices to investigate and de-

termine whether these rules are being observed.

The text of the approved rules as announced by the Federal Trade Commission is as follows:

Group 1

Rule 1. To describe the cold storage business or any of the methods used, facilities furnished, or services rendered, or to quote charges, prices, or rates made or state terms or conditions imposed, in a manner that is misrepresentative or has the tendency or capacity to deceive, mislead, or confuse customers or prospective customers as to the true character thereof in any particular, or to discredit or unfairly injure competitors, whether by failing to disclose the whole truth or by expressing a falsehood, is an unfair trade practice.

Rule 2. To use any practice in carrying on the commercial cold storage business which tends to defraud a customer or the public or to bring such business or any of those engaged therein or any of the facilities furnished or services rendered by them into disrepute is an unfair trade practice.

Rule 3. To issue or aid in issuing a warehouse receipt when the products for which such receipt is issued have not been actually received by, or are not under the actual control of, the one issuing such receipt at the time of the issuance thereof, impairs and weakens credit and confidence in such receipts, is prohibited and made criminal by statute, and is an unfair trade practice.

Rule 4. To issue or aid in issuing a negotiable warehouse receipt for stored products of which the one issuing such receipt is owner, either solely or jointly or in common with others, without stating in said receipt the fact of such ownership, impairs and weakens credit and confidence in such receipts, is prohibited and made criminal by statute, and is an unfair trade practice.

Rule 5. To deliver part or all of any lot of stored products for which a negotiable warehouse receipt, the negotiation of which would transfer the right to the possession of such products, has been issued and is outstanding and un-

cancelled without obtaining the possession of such receipt, or taking up and cancelling the same, or placing a statement of what products have been delivered plainly upon it at or before the time of the delivery of such products, except where delivery thereof is made pursuant to an order of a court of competent jurisdiction or in compliance with a sale made to satisfy a lien thereon, impairs and weakens credit and confidence in such receipts, is prohibited and made criminal by Statute, and is an unfair trade practice.

Rule 6. To fraudulently issue or aid in fraudulently issuing a warehouse receipt for stored products which contains any false statement impairs and weakens credit and confidence in such receipts, is prohibited and made criminal by statute, and is an unfair trade practice.

Rule 7. To directly or indirectly secretly give or offer to give money or anything of value to employees of customers or prospective customers or to employees of competitors' customers or prospective customers, without the knowledge or consent of their employers, as an inducement to influence their employers to patronize or deal or contract to patronize or deal with the maker of such gift or offer, or to influence such employers to refrain from patronizing or dealing or contracting to patronize or deal with competitors, is an unfair trade practice.

Rule 8. Any discrimination in prices between purchasers of the same class, not including discrimination in price on account of the difference in grade, quality or quantity of the product sold, or which makes only due allowance for difference in cost of selling and transportation, or discrimination in price in the same or different communities not made in good faith to meet competition, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly, is an unfair trade practice; *Provided*, however, that nothing in this rule shall be construed to prevent the publication and use of a special quantity price applicable to a definite quantity of goods.

Rule 9. To wilfully interfere by any means or device with any existing contract between a competitor and a customer of a competitor in relation to any of the facilities furnished or services rendered by such competitor in carrying on the cold storage business, or with the performance of any contractual duty or obligation connected therewith, such interference being for the purpose or with the effect of dissipating, destroying or appropriating, in whole or in part, the patronage, property or business of such competitor, is an unfair trade practice.

Rule 10. To offer or make confidential or secret prices, charges, rates, terms or conditions, or secret rebates, allowances or concessions, or to offer or make in any manner or by any device whatever more advantageous prices, terms, or conditions to certain favored customers or prospective customers than are offered and made to all customers and prospective customers under substantially similar circumstances, is an unfair trade practice.

Rule 11. To sell use of facilities or render services below own cost for the purpose of injuring competitors and/or with the effect of lessening competition, is an unfair trade practice.

Rule 12. To sell use of facilities or render services without profit for the purpose of injuring a competitor, or with the effect of lessening competition, is an unfair trade practice.

Group II

Rule 13. Each member of the industry, while reserving the right to exercise his individual judgment as to the amount of his charges, prices and rates, shall establish and openly state his charges, prices, rates, terms and conditions, shall in good faith publish and circulate them in a schedule or tariff, and shall offer and make them under substantially similar circumstances to all customers and prospective customers without misrepresentation or discrimination so long as they are in effect, and any deviation from this ordinary course of business is condemned by the industry.

Rule 14. To directly or indirectly subsidize, or offer to subsidize, customers or prospective customers, or competitors' customers or prospective customers, or those representing them, by contributions or subsidies of money, services or other gratuities or things of value in the form of credits, rebates, special concessions, or in any other form, for the purpose and with the effect of inducing them to patronize or deal or contract to patronize or deal with the donor or to refrain from patronizing or dealing or contracting to patronize or deal with the donor's competitors, is condemned by the industry.

Rule 15. A committee on trade practices is hereby created and empowered to investigate and determine whether these resolutions are being observed, to make complaints concerning alleged violations, to cooperate with the Federal Trade Commission, and generally to perform such other acts as may be reasonably necessary and proper to put these

Winter Conventions

THE 1930 annual meetings of the National Furniture Warehousemen's Association and the American Warehousemen's Association will be held in January at the same place—the Edgewater Gulf Hotel, near Biloxi, Miss.

☐ The N. F. W. A. gathering will take place first—on 15th, 16th, 17th and 18th, preceded by a meeting of the board of directors on the evening of the 14th.

☐ The A. W. A. sessions will begin on the 20th, a Monday, and will continue through the 23d. During this week there will be meetings of the American Chain of Warehouse and Distribution Service, Inc.

☐ The scene will be new to a majority of the American's members. The National, however, held a winter convention at the Edgewater Gulf several years ago.

☐ By staging the meetings at the same place and within the period of a fortnight, expenses and time are conserved for executives who are members of the various associations, and a larger attendance is assured.

resolutions into effect and accomplish the objects and purposes of this Conference.

Rule 16. Resolved, that the rules adopted by this Conference shall become effective thirty days after the release of the announcement thereof by the Commission, and that the Commission is respectfully requested to make said date the effective date.

—Horace H. Herr.

Colorado

THE seventh semi-annual convention of the Colorado Transfer & Warehousemen's Association was held in Denver on Oct. 18 and 19 with an increased membership evident and greater co-operation apparent among members for subsequent organized effort to increase the results of the organization. President Charles McMillan, Fort Collins, presided.

The past efforts of the association relative to rates, protection against non-licensed truck owners, and extension of the Allied Van Lines idea in inter-city hauling, seem to be bearing fruit. So active has the association become that an executive secretary and permanent offices have been opened. Miss Dorothy Pechman is the new executive secretary and also handles the detailed work of the Denver office of the A. V. L., of which Robert Work, Denver, is regional vice-president.

A custom of the association is to call upon the members of the association at the initial session to report on business conditions in their respective districts. This year's report indicated that business throughout the State was good.

Mr. Work reported on the inter-city removals bureau, the Public Utilities Commission attitude and A. V. L. ac-

tivities and growth in this region, which comprises Colorado, Wyoming, Utah, Idaho, Montana, Arizona, New Mexico.

At one of the previous conventions a committee which had been delegated to prepare uniform schedules of rates for inter-city hauling made certain recommendations and offered three different schedules. Some of the warehousemen adopted one schedule and others another, while some adopted two schedules. Now it is recommended that one definite schedule—that designated as "Schedule A"—be adopted by all, so that it can be filed with the Public Utilities Commission. This rate is the highest of the three recommended on household goods. A rate committee was appointed for consideration of the subject and to make a report at the annual meeting in the spring. The members reported that since the adoption of the recommended schedules they had found that the revenue for inter-city hauling was more in keeping with the legitimate profits.

Otto Bock, a member of the Commission, and Thomas F. Dillon, chief inspector for the commission, gave instructive talks on the relation of the Commission to inter-city and intra-state transportation agencies. The association members now feel they are in more personal touch with the Commission and that adequate cooperation is assured, to prevent competition from unlicensed carriers.

The first day's sessions ended with a stag banquet to which the members and the superintendents and foremen of warehouse companies were invited.

Many instructive papers were read at the second day's session. One of them was by Erwin G. May, Denver, on "An Analysis of Crating Costs." Mr. May had a company packer on the job, with materials and an overstuffed chair, which was crated in full sight of the convention visitors. It was proven that the materials alone for a proper job would cost \$2.68.

Other Discussions

"Ways and Means of Improving Service to the Public" was the subject of a talk by Ben Hough, Denver, who stressed the need of courteous and efficient drivers and packers and how their courteousness and efficiency would make the right impression on customers.

"Why We Should Know Truck Costs" was discussed by Emerson Jones, Alamosa, who went into detail to bring out his points and explain costs as his firm found them in its territory and under its working conditions.

"How Can We Secure Greater Co-operation in City and State Associations?" was considered by St. George Tucker, Colorado Springs. Mr. Tucker minced no words in telling the members, straight from the shoulder, that it was necessary for each member to do his part every day in the year and year after year and not permit just a few of the boys to do all of the work, nor to become active in the association only when one was in trouble.

Near the close of the convention one

of the association's most active members, and who has been president and has been a member of the board of directors, announced he was leaving Colorado. It was Erwin G. May, who has been associated with the Weicker Transfer & Storage Co., in charge of furniture moving and storage. Mr. May announced he had been appointed by the Federal Government to become Customs attache to the American Embassy at Berlin. He left, shortly after the convention closed, for Washington and eastern points to familiarize himself with some of his duties, and will sail for Berlin sometime in the summer. His place in the Weicker organization will be taken over by Mr. Work. The convention passed resolutions of regret at losing Mr. May but expressing pleasure at the opportunity he will have for travel. In addition, as a token of appreciation for the work he had done on behalf of the association, the members presented him with a leather travelling case.

Referring to the appointment of an executive secretary to assist Secretary Lester Freedheim, the appointment is indicative of increased activity of the association and this will mean greater growth. The executive secretary will get out a monthly bulletin to the members to keep up interest in the activities between the two conventions held each year. Offices have been opened at 1713 Fifteenth Street, Denver.

—Wilis Parker.

Southern

THE Southern Warehousemen's Association held its annual meeting on Nov. 7 and 8 at the Hotel Charlotte in Charlotte, N. C., and reelected officers and various directors. The personnel for 1930 is as follows:

President, J. L. Wilkinson, secretary Carolina Transfer & Storage Co., Charlotte.

Vice-presidents, H. C. Avery, vice-president Union Terminal Warehouse Co., Jacksonville; George C. Harris, president Harris Transfer & Warehouse Co., Birmingham;; J. P. Ricks, owner Ricks Storage & Distributing Co., Jackson, Miss., and R. B. Young, president Savannah Bonded Warehouse & Transfer Co., Savannah.

Secretary, T. F. Cathcart, president Cathcart Van & Storage Co., Inc., Atlanta.

Executive secretary, Sydney Green, Atlanta.

Treasurer, John J. Woodside, Jr., president John J. Woodside Storage Co., Inc., Atlanta.

Directors, E. T. Chadwell, secretary Herriford-Chadwell Co., Nashville; John K. Walker, vice-president Walker Storage & Van Co., Memphis; E. C. Lowry, president Alabama Motor Transfer & Warehouse Co., Montgomery; C. E. Boineau, president Columbia Brokerage & Storage Co., Inc., Columbia, S. C., and Carl F. Wittichen, president Wittichen Transfer & Warehouse Co., Birmingham.

Closer cooperation among the associa-

tion's companies which are agents of the Allied Van Lines, Inc., was urged by Henry Reimers, Chicago, general manager of the A. V. L. Certain adjustments in the A. V. L. tariff schedule in the South were advocated by members in the general discussion of business conditions and policies; rates on special services and some other functions of the lines were declared to be too low, speakers pointing out that labor prices and

J. L. Wilkinson



Charlotte, N. C., executive vice-president of the Southern Warehousemen's Association

road conditions in the South should be taken into consideration.

Some means of devising a uniform code of methods and practices was advocated by T. F. Cathcart as chairman of the committee considering this subject, which was referred to the directors.

C. O. Kuester, business manager of the Charlotte Chamber of Commerce, welcomed the visiting delegates, and Dr. W. W. Peele, pastor of the First M. E. Church, offered invocation. H. C. Avery responded to the welcome. President Wilkinson reviewed the year's activities.

Chester B. Carruth, Chicago, actuary of the merchandise division of the American Warehousemen's Association, emphasized the value of cooperation with the industry's national associations. He suggested that the members of the Southern W. A. establish contact with manufacturers and shippers in their communities and that they attempt to stabilize storage and transportation rates.

—F. B. Morgan.

DIRECTORY INFORMATION

DID you have notarized the Information Sheet you sent for the 1929 Warehouse Directory? If not, ask for its return. Only notarized information will give you a Starred listing—and the Directory consultant gives the Starred listing prior consideration.

New York F. W. A.

WHAT the Federal Trade Commission has accomplished in its conferences was told by John G. Neeser, chairman of the legislative committee of the New York Furniture Warehousemen's Association, at the organization's October meeting.

"The trade practice conference," Mr. Neeser said in part, "affords a means through which representatives of an industry voluntarily assemble under auspices of the Commission for the purpose of considering unfair practices in their industry and collectively agreeing upon and providing for their abandonment in cooperation with and with the support of the Commission. The procedure deals with an industry as a unit. It is concerned solely with practices and methods, not with individual offenders.

"When a trade practice conference is applied for a preliminary inquiry is made by the trade practice conference division, the result of which serves as a basis for determining whether the practices or methods used are unfair to competitors or against the public interest and whether the interest of the public is best served by calling a trade practice conference for the particular industry.

"If the Commission determines on a trade practice conference, the industry is assembled at a time and place specified. Such a conference may be called on the application of a representative group in an industry, such as a trade association. In every case the consensus of opinion of the entire industry is sought, and if a desire for such a conference is shown on the part of a sufficiently representative number, the entire industry is invited to assemble at a time and place designated by the Commission.

"After the industry has adopted its proposed regulations they are examined by the Commission and either approved or rejected. If approved they become the rules of business conduct for that industry. The procedure is predicated on the theory that the primary interest of the Federal Trade Commission is the interest of the public. The public is entitled to the benefits which flow from competition, and each competitor is entitled to fair competition. Self-regulation without rules would be impossible and rules without some power of enforcement make self-regulation often a mere expensive gesture. The fact that some power rests, as it does, in an impartial, disinterested Governmental body obviates the necessity of frequent use of such power. This is demonstrated in that between 300 and 400 rules have been adopted by industries in trade practice conferences, but the power of the Federal Trade Commission has not been invoked with reference to a dozen of these.

"The practices most generally condemned by the trade practice conferences are: misleading advertisements, commercial bribery, defaming competitors, misrepresenting quality, short measure, and price discrimination. The Commission has consistently refused to allow price fixing."

At the November meeting, held at the Aldine Club on the 11th, Barrett C. Gilbert, the president, who is a vice-president of the Allied Van Lines, Inc., explained the new part-load plan of A. V. L., providing for proportional rates for less than full loads.

Ernest H. Milligan, chairman of the October leasing committee, read letters from public utilities companies promising cooperation in the proposal to scatter leasing dates across the year. As chairman of the sales expansion committee Mr. Milligan said plans would be prepared for developing new business.

Following general discussion of telephone book advertising it was decided to allow the members to use their own judgment about buying space in the "red book" directory.

At its November meeting the New York F. W. A. unanimously adopted the following resolution:

"It is the sense of this association that:

"To remove goods by any means from the warehouse of a fellow member for storage, carting or shipping, is unethical, unless such removal is made necessary by unusual conditions. When a member has information that the depositor of a fellow member intends to transfer his goods to the member, he should discourage such transfer and immediately advise his fellow member, and failure to do so is unethical."

—P. J. O'Connor.

Jacksonville

THE annual meeting of the Jacksonville Warehousemen's Association will be held on Jan. 9. The organization has had an active and successful year, according to E. E. Kidd, secretary, and has taken considerable interest in State legislation affecting long distance moving by motor truck. At considerable expense the association has followed proposed legislation carefully but has maintained a neutral position except in instances where the interests of the industry might be jeopardized.

Connecticut

A PLAN for organizing all Connecticut warehouse companies and truckmen for freight-handling purposes was outlined by R. F. Callahan at the November meeting of the Connecticut Warehousemen's Association, held at the Hotel Taft in New Haven on the 14th. The suggestion was discussed at length and was turned over to a special committee for investigation and a report at the December gathering. The committee, appointed by the president, Charles B. Gardner, New London, comprises M. E. Kiely of New Haven, A. P. Marsh of New Britain and John W. Connelly of Hartford.

William R. Palmer, New Haven, the secretary, has made public a letter which he had received from Judge Charles J. Martin, New Haven, in reply to the fol-

lowing which the association had addressed to him:

"Has any officer a right to stop a vehicle on the road and search it without a search warrant, and in case peace officers have the right to make this search, what should the attitude of the driver be?"

Judge Martin replied as follows:

"A. Police officers or constables while engaged in the performance of their official duties may stop a vehicle on the road and examine the contents of the same without a search warrant, and I would advise that your employee, or the operator of the vehicle, courteously inform the policeman or constable that any such examination made without a warrant will be entirely upon the responsibility of the officer, and should any damage occur in the examination of the goods, that he will be held personally liable.

"B. It is my opinion that a complete inventory should be made by a warehouseman who is employed to pack goods in containers, such as bric-a-brac, silver, china, etc. Such an inventory would be very helpful should any dispute arise as to the quantity of property turned over to the warehouseman.

"C. It would seem to me that the warehouseman storing the oil burners, which you described in your letter, having released the property, would not have any claim against the consignor, but I would also feel that the warehouseman would have a lien on the burners for any charges that reasonably entered into the care and protection of the property; and until the Court rendered judgment against the warehouseman's company in a proper proceeding, it would be my advice that the warehouseman retain possession of the goods. Once possession is surrendered, the right of lien is extinguished.

"D. It is my opinion that the driver of a vehicle or van would not be required to participate in the unloading or reloading of the vehicle. This would have to be done by the Officer, or persons that he would employ."

Minnesota T. O. A.

THE Minnesota Truck Owners' Association at its annual meeting, held in St. Paul in November, elected officers and directors as follows:

President, J. E. McReavy, Minneapolis.

Vice-presidents, J. D. Ryan, St. Paul;

F. A. Thompson, manager Thompson & Wulff Transfer & Storage Co., Albert Lea; R. H. Hall, president Security Storage & Van Co., Duluth; Thomas Smart, Bemidji.

Secretary-treasurer, T. A. Horrocks, St. Paul.

Directors, A. W. Thenholm, O. E. Deckert, T. P. Bonner, H. H. Fawcett, F. M. Raymond, W. E. Carlson and J. W. Young, Minneapolis, and C. L. Jobe, H. V. Sutton and N. Holliday, St. Paul.

It was brought out at the meeting that the Chicago, St. Paul, Minneapolis & Omaha Railway was operating a motor truck transportation line through a subsidiary, the Wilson Transportation Co.,

capitalized at \$500,000. Freight is hauled in carlots, and distributed by thirty-six trucks. It was stated that other roads were expected to be forced into this business.

Taxation

Edward F. Loomis, secretary of the motor truck committee of the National Automobile Chamber of Commerce, told the Minnesotans that commercial vehicle taxation had reached the annual levy of \$200,000,000, or 55 per cent of the \$360,000,000 paid by all railroads—a "dangerous trend in distribution charges." He continued:

"Some theorists would frankly like to place commercial vehicle taxes so high as to drive trucks and buses off the highways. Indeed, some communities have succeeded in doing just that to some degree. The public, however, demands motor truck deliveries. The railroads are using trucks for short haul work and buses have nearly doubled in number during the past five years. Clearly commercial transport is fulfilling a public function, and should not be the target for indiscriminate taxation.

"It is a sound principle that commercial vehicles should pay taxes equivalent to the differential of wear and tear on the highways compared with lighter vehicles. Levies on commercial vehicles, however, have long since passed that point. Not only are they compelled to pay various super-taxes in many States, but the gasoline tax is also a burden on them, often out of proportion to extra wear and tear. It would, in fact, be reasonable to fix a given maximum which any vehicle should pay in order to prevent such inequities.

"Taxation theory indeed is often short-sighted because it forgets the ultimate goal of maximum use at lowest cost to the public. We are building highways at an annual investment of a billion and a half dollars a year. It is sound public policy to charge the minimum possible for taxation in order that this investment may be used to the full.

"The average motor truck pays twice as much in special taxes as the average automobile—\$49 annually, compared with \$24 for the average automobile. The average common carrier motor truck pays fourteen times as much as the private car, or \$303 in special taxes. The average bus pays 24 times as much as the private car or \$512.

"All motor vehicles in the country pay a total tax of \$808,000,000 annually."

—J. E. Smith.

(Editor note: In connection with the foregoing, *Distribution and Warehousing* pointed out, in its October article on motor freight line competition, that the Wilson Transportation Co. was planning to erect a fireproof warehouse and a truck depot in Sioux Falls, and that it was understood locally that the company had been acquired by the North Western Road. The Chicago, St. Paul, Minneapolis & Omaha is part of the North Western system.)

Missouri-Oklahoma-Kansas

MERCHANDISE warehousemen in Missouri, Oklahoma and Kansas stand ready to oppose any motor freight line encroachment. While this competition is not recognized in the three States as a "menace," the warehousemen there are watching developments in other parts of the country, with a view to discouraging any threatened activities locally.

These points were brought out in information discussions during the first joint convention, in Kansas City on Oct. 18 and 19, of the Missouri Warehousemen's Association, the Oklahoma Transfer & Warehousemen's Association and the Kansas Warehouse & Transfermen's Association. Approximately 150 storage executives from the three States attended, augmented by warehousemen from eight other States, so that the meeting took on a national aspect.

Discussion of motor freight line competition—which has been the subject of recent articles in *Distribution and Warehousing*—was brought up at the first general meeting. While no official action was taken, the constant cropping up of the topic showed the wide interest it has among the associations' members. The discussion followed an address by H. A. Haring, *Distribution and Warehousing's* contributing editor, on "The Future of the Merchandise Warehouse Industry." Later, in group and State meetings, the subject again came up. Men, sitting in the lobbies waiting for other sessions to convene, discussed it whenever the casual salutation "How's business?" was made.

One of the first questions put to Mr. Haring after his address was by F. R. Long, St. Louis, who asked whether the truck terminals in the East were directly on or removed from the railroads. Mr. Haring answered with information about truck terminals in New York.

At this point, H. C. Herschman, St. Joseph, Mo., president of the American Warehousemen's Association, read a letter which he said expressed his ideas.

"For the past five years," he read, "warehousemen east of Chicago have experienced one of the worst slumps in history. First, by lack of funds to promote general industry; second, lack of funds have caused hand-to-mouth buying; third, shippers using pool cars in order to reduce cost; fourth, activity of universal car loading companies; fifth, preferred service of transportation, and, sixth, activity of promiscuous promoters, resulting in close competition.

"It behooves the warehouse industry during this period of changing to look well toward their interests, to be on the job continuously, and to devise ways to bring back the business which is theirs."

Mr. Long followed Mr. Herschman, giving a short talk on the responsibilities of warehousemen.

"A warehouseman, in a sense, is a banker," he said, "and loss to a warehouseman does not promote responsibility. If we can get to the producers and talk

to them, I'm sure we can show them that, to give our best, we must have a reasonable and legitimate profit.

"The truck business isn't menacing us in this territory now, but if it is in the East, it soon will be here. Just as soon as truck terminals do start, they'll have to pursue some projects of terminal warehouses. If they start promoting terminals, I know it can be shown to money backers that money will be lost by terminals which will take away the legitimate warehouse business."

The value of closer affiliation with State and national trade associations was stressed by Mr. Herschman in a paper read at this session.

"The national trade association today is the backbone of any industry," he stated. "The most outstanding and successful business enterprise is invariably one of the most enthusiastic members of its trade association. Competition and change have wrought a great variant in the old success formula. Today, success is just as hard earned as ever and more difficult to maintain. Business has found that the forerunner of success is cooperation and getting together.

"A warehouseman who believes that he can go it better alone, or who is more willing to receive than to give, may get along for the time being but eventually his path will get a little rough and he will go to his banker for assistance. The time is here when Mr. Banker will ask, 'Are you a member of your national craft? Why are you losing business?' Isn't it apparent that the college of learning today for us in the industry is the State and national associations of our craft?"

The benefits of cooperation were stressed by S. C. Blackburn, Kansas City, a director of the National Furniture Warehousemen's Association. His paper was on "The Value of Cooperation." In closing he brought out the point that the warehouse business was a large one and could succeed only when conducted on the highest principles of good business ethics.

W. A. Sammis, Kansas City, president of the Missouri association, presided at the opening session. He gave a short address of welcome and introduced E. W. Jones, Wichita, president of the Kansas association. In the absence of R. A. Weicker, president of the Oklahoma association, Elmer C. Lette, Oklahoma City, extended greetings from Oklahoma.

Following luncheon, individual State meetings were held and reports were made by various committees.

At the Missouri session, Frank M. Cole, Kansas City, chairman of the bond committee, reported that Missouri was lax in enforcing the warehouse surety bond laws and that many companies were operating without the required bonds. The State, he explained, provides no fund for investigating the warehouse bonds and consequently officials keep busy on other activities.

W. J. Cord, St. Louis, a member of the bond committee, told of a St. Louis warehouse which had been investigated by the St. Louis Better Business Bureau.

This certain "would-be" warehouse took a load of furniture for storage. Investigation disclosed the "warehouse" maintaining a house. The piano, belonging to a customer, was used in the living room, the stove in the kitchen and other furniture in other parts of the house. Still other goods were in a damp basement. With the cooperation of the Better Business Bureau, this concern was closed out.

During the Missouri session, Oscar W. Thomas, Kansas City, chairman of the Legislative Committee, also made a report alluding to licenses. As the situation now stood, he said, all motor trucks operating across the Oklahoma State line must purchase licenses in Oklahoma. This was an unsatisfactory arrangement and caused considerable ill-feeling, he stated, and he suggested that the convention adopt a resolution, to be presented to the Secretaries of the various States, asking that they use their best efforts to reach some satisfactory reciprocal arrangements which would permit unhampered truck operations across State lines.

The same subject was brought up in the Kansas association's meeting, with the result that the following resolution was prepared:

"Whereas, There is a condition existing in Oklahoma which greatly concerns the members of our association, namely your motor vehicle registration law, which compels all truckmen from other States to secure an Oklahoma license upon entering Oklahoma and which causes great hardship to us, and

"Whereas, Our State of Kansas operates under a reciprocal motor vehicle registration law, which provides that our State will permit the Secretary of State to enter into some kind of reciprocal agreement or retaliate by compelling truckmen from other non-reciprocating States to produce Kansas licenses, and

"Whereas, We, the Kansas State association, desiring the alleviation of this condition in Oklahoma, do

"Hereby earnestly petition the Oklahoma State association for their assistance in this matter by using their influence both as an organization and as individuals with the Oklahoma authorities and the State Legislature for the purpose of correcting this condition."

Further action on this important interstate subject was taken during the Saturday morning general session, when a motion was made authorizing the appointment of a representative from each State to get together and work out the problem. Mr. Thomas, E. F. Dean, Topeka, Kan., and R. A. Weicker, Oklahoma City, president of the Oklahoma association, were named members of the joint committee.

Because of the large number of warehousemen attending, the convention was divided into divisional meetings on Friday afternoon. The Merchandise division, Frank M. Cole, chairman, met simultaneously with the household goods division, S. Roger Hulet, Columbia, Mo., chairman.

*Published in the November issue of *Distribution and Warehousing*.

The speakers and their subjects in the merchandise division were:

E. C. Lette, Oklahoma City; "Merchandise Warehouse Conditions in Oklahoma."

A. G. Barnett, Hutchinson, Kan.; "Merchandising Conditions in Kansas."

D. M. Harwood, Kansas City, Mo.; "The Need of a Uniform Rate Guide."

F. R. Long, St. Louis; "Use of Simplified Form in Cost Accounting."

L. B. Jones, Kansas City; "Space Rental."

The household goods division was opened by an address by Howard Lathrop, Lincoln, Neb., who discussed "An Estimating Booklet Combining Both Packing and Long Distance Moving." Considerable interest was manifested in this proposed booklet.

Another subject which aroused interest was "The Qualifications of Solicitors and Their Control by Their Principals," discussed by A. M. Hansen, St. Joseph.

"The personal ability of the solicitor decides whether results are to be good or bad," Mr. Hansen stated, "The ideal solicitor is one who is a member of the firm. He should have a real knowledge of firm methods. If honest with firm and competitor, he will not cut prices. A solicitor must be a good listener. If he listens he soon will find out what the customer wants."

"A solicitor should realize the importance of the principals embodied in the code of ethics of the National Furniture Warehousemen's Association. An overuse of solicitors is worse than none at all. If used with discretion, they can be of great benefit."

W. J. Cord, St. Louis, in a paper on "Why Large Shipments Should be Consigned to the Smaller Members in the Larger Cities," stated that one of the best investments that could be made by a fellow warehouseman would be the making of a shipment to a smaller warehouseman.

"A small warehouseman," he said, "looks out for interests personally. He knows men better, being in constant touch with them; he can stop complaints by catching the damage before the customer knows of it, and a small warehouseman generally has first-class equipment and keeps it in a clean and inviting condition."

Different kinds of paper, padding and equipment used in warehouses were discussed at length by the divisional meeting following an address by U. O. Bryan, Wichita, on "Preparing Goods for Storage." A customer, Mr. Bryan pointed out, deserved the best of service, and a warehouseman should always think of his responsibilities.

Discussion followed also an address by Oscar W. Thomas on "Cost of Operation in the Household Goods Storage and Moving Business."

Henry Reimers, Chicago, general manager of the Allied Van Lines, Inc., was kept busy answering questions propounded to him after a talk on the A. V. L. Experiences with the lines were related by many of the men, and others

Ten Motor Freight Lines to Operate Saginaw Warehouse

ANNOUNCEMENT was made in Saginaw, Mich., on Nov. 6, of a new cooperation to coordinate the activities of ten motor freight lines operating in all directions from the city.

Plans provide for a central warehouse for receipt and shipment of freight.

Known as the United Truck Lines, the company began negotiations for a storage building for handling the business of the lines involved, which include the Doyle Transfer Co., Kakoska Cartage Co., Taylor Motor Freight Lines, Gage Freight Line, O. E. Tenney Cartage Co. and Armstrong Truck Service.

The truck lines each will retain its identity and operate independently but the corporation will act as a clearing house, supervise operations, etc.

David C. Boyle is president; R. C. Morley, Jr., vice-president; C. Kakoska, secretary, and K. A. Lord, treasurer. These four and the Rev. John C. Schroeder are the directors.

expressed the intention of soon making use of the service.

A divisional meeting of warehousemen interested in cold storage, scheduled for Friday afternoon, was postponed until Saturday morning. Mr. Herschman was the principal speaker, his subject being "Sterilization of Citrus Fruit." He brought Government regulations with him and answered all inquiries directed at this timely subject.

Many entertainments, both educational and social, were prepared for the men. A breakfast, followed by a round table discussion on the subject of "New Business for Warehouses," was one of the entertaining features. Mr. Haring led this discussion.

A banquet Friday night, a luncheon at the Mission Hills Country Club, Saturday, and the presentation of the Last Days of Pompeii, were social features. Matinees, drives and luncheons were features of the ladies' program.

—Western News Service.

Michigan W. A.

EARLY in November a series of sales letters went out to a list of more than 2000 prospective users of warehouse space in Detroit, under the imprint of the Michigan Warehousemen's Association. Officers of the organization anticipated that many new accounts might be developed for the members. The letter was prepared by the secretary, Don C. Jordan.

A survey letter, sent out in October,

Hitch Your Warehouse to a Star

THE national distributor will look for the Star when consulting the 1930 Warehouse Directory in selecting points for storage. Will your listing be Starred next year? It will be if you notaried the information you returned.

intended to sound out the possibilities of new account development by means of direct mail advertising, was sent to a list of 2700 firms throughout the United States who are known to utilize warehouse space in some parts of the country, or else have products that readily adapt themselves to distribution by means of local warehousing. At the October meeting the secretary reported an amazing response to this survey letter. He has in his files more than 1100 replies, a large majority of which indicate that the firms are now users of public warehouse service at one or more points in the country, and many of them expressed interest in developing such service in the Detroit market. The November series of sales letters is designed to follow up this preliminary work.

Aside from the sales campaign, perhaps the most important problem that is demanding consideration from the members of the Michigan association at the present time is that of the advisability of publishing a tariff. After discussion at several meetings President James D. Dunn has appointed a special committee to analyze the situation and to report at the next business meeting.

Mr. Dunn named Harold L. Brown as chairman, to act with T. G. Hewson, C. F. McGuire, Robert Schram, O. E. Speck and H. S. Hall.

President Dunn has appointed Mr. Speck as chairman of the traffic committee. Robert Schram succeeds Mr. Speck on the merchandise storage committee, and H. S. Hall has been placed on the cold storage committee.

—H. L. Lawson.

Detroit F. W. A.

THE principal action taken at the November meeting of the Detroit Furniture Warehousemen's Association was the laying of plans for the annual meeting, to be held on Dec. 13 at the Hotel Fort Shelby. President Arthur A. Leonard appointed a nominations committee consisting of Roy Leonard, John Geddard and Frank Zech.

—H. L. Lawson.

Texas

ARTICLES of incorporation were filed at Austin in November by the Texas Warehouse & Transfermen's Association. No capital stock. The incorporators are E. D. Balcom and G. K. Weatherred, associate managers of the Dallas Transfer & Terminal Warehouse Co., Dallas, and J. P. Tarry, president of the Tarry Warehouse & Storage Co., Wichita Falls.

Approves New Haven Purchase

The Connecticut Public Utilities Commission in an order made public on Nov. 8 approved acquisition by the New York, New Haven & Hartford Railroad of 350 additional shares of the capital stock of the Providence Produce Warehouse Co., Providence, R. I., and payment by the petitioner in cash the sum of \$35,000, the total par value of the shares.

Barge Line Terminals Are Discussed by Gen. Ashburn

(Concluded from page 14)

barge line rates apply, it is true that the barge line rate will neither increase nor decrease if this charge were eliminated; but if we can arrange through our terminal connections that this same carload can come directly to barge without this intervening \$20 charge, certainly the shipper of that carload has saved the \$20, certainly he will have that much better opportunity to compete for his market, and certainly some of that saving will be reflected to the farmer in increased price for his products."

Holding that the barge line may not prudently depend on a constant flow of export grain, but must play an important part in the distribution of domestic grain, General Ashburn said:

"Some place, or several places, St. Louis or south, there should be erected elevators capable of handling grain from barges to rail, from barges to mills, to grading plants, etc., where grain can be mixed and distributed, milled and distributed, or sent inland for mixing, milling and distribution.

"Under its charter the barge line itself cannot construct and operate such facilities, and there are no such facilities between the Twin Cities and New Orleans. There ought to be such facilities located on the river, and I know of no one particular project which would more quickly afford some farm relief, and at the same time prove the economic soundness of the program laid down by the President."

Speaking before the National Association of Real Estate Boards in St. Louis on Nov. 20, General Ashburn touched on the old controversy between rail and water carriers. In part he said:

"Inland water transportation has inherent advantages and equally inherent disadvantages. Its greatest advantage lies in its cheapness, after a navigable waterway has been created; and its greatest disadvantage lies in the fact that its ports of call are limited to cities on the banks of waterways—and to extend the advantages of cheap water transportation to the interior requires interchange of freight between rail, water, and motor facilities.

"Railways are not limited by physical conditions; they can tunnel through mountains, thunder across abysses, and serve ports on the rivers equally well. In fact, railways can exist very well without waterways, but interior water transportation, benefiting all the people, cannot thrive and prosper without the railways.

"I want to emphasize that the successful struggle to rehabilitate common carriers upon the waterways is not a struggle against the railways. In fact, those railways which are natural competitors of the Government barge line on the Mississippi are the lines which show greater freight gains, and improvement in financial returns, than the average of all the lines in the United States. Whatever we may take away

from them, its distribution by our water lines is limited by the ports on our banks; whereas what we give to them in the form of bulk commodities is carried by them to manufacturers, there turned into the manufactured article, and redistributed by the rail lines as the finished product, which carries a much higher freight charge than the bulk. As a matter of fact, our up-stream tonnage is greater than the down-stream, and our cheap transportation has created new lanes for bulk products which did not move before, so that in the long run you can realize how water transportation aids the railroads rather than hurts them. This fact is recognized by a great many leading railroad presidents."

General Ashburn told the Mississippi Valley association that the Inland Waterways Corporation now was going in for standardized equipment. The new barges are designed so as to permit using them on the Missouri and upper Mississippi Rivers, where the dependable channels are only 6 feet deep, as well as on the lower Mississippi, where a 9-foot depth is had. This arrangement will do away with the necessity of transferring freight from the equipment used on the shallower channels to the heavier barges used on the lower reaches of the Mississippi. Standard tow boats also are being developed.

With the canalization of the Ohio River completed, a determined drive in the next session of Congress for authorization and appropriations to open the Missouri River to navigation up to Sioux City is in prospect. That part of the Missouri between Kansas City and the mouth will have a stable 6-foot channel by 1931, in which year extension of the Federal barge line to the Missouri is expected.

THE Interstate Commerce Commission made public on Nov. 9 an order in *Ex parte* 96 granting fourth section relief in schedules involving through routes and joint rates between the Inland Waterways Corporation and rail carriers. The Commission's order follows:

"It is ordered, That the first ordering paragraph of fourth section order No. 10121, entered July 8, 1929, in application No. 13832 be amended to read as follows:

"It is ordered, That the carriers parties to said applications Nos. 13832, 13933 and 13937 be, and they are hereby, authorized to establish and maintain over all routes as described in said applications from any point of origin to any point of destination from and to which joint rates are prescribed in *Ex parte* 96, the lowest rates prescribed, or that may be prescribed, in the said proceeding as maximum rates over any routes between the same points; and to establish and maintain for a period of

The annual Warehouse Directory is the recognized reference book of the industrial sales and traffic manager.

Air Freight Line Formed With McClintock a Director

THE Aerial Express Corporation, Ltd., organized recently in Los Angeles, is said to be the country's first air transport company devoted exclusively to freight transport. Its incorporators include H. R. McClintock, president of the McClintock Storage Warehouse Co., San Diego.

Although the founders of the air transport organization hope eventually to cover the entire United States with aerial express lines the service will, for the present, be limited to the Pacific Coast. The line's southern terminus will be at the head of the Gulf of California and its northern one at Seattle. Offices and freight depots, it is announced, will be established in principal Coast cities. The depots will be centrally located for receiving purposes and the freight will be taken by truck to the air fields. The trucks will deliver incoming goods free to points within five miles of the depots.

It was planned to inaugurate service on Dec. 1 with seven planes having fuselages designed especially for freight-carrying. They are Fairchild 71 monoplanes with 425 hp. Wasp motors and each capable of carrying 1400 pounds of freight. Two will be equipped with electric refrigerators for perishable freight.

Proposes Federal Regulation of Commerce by Airplane

Federal regulation of interstate commerce engaged in by air carriers is proposed by Senator Walsh, Massachusetts, who has introduced a bill providing that aircraft carrying property and passengers shall be supervised by the Interstate Commerce Commission, which would issue certificates of public convenience and necessity, fix rates, fare and charges, etc.

six months higher rates from, to, and between intermediate points; Provided, That the present rates from, to, or between the said intermediate points shall not be increased except as authorized by this Commission and shall not exceed rates constructed on the same bases as those prescribed in *Ex parte* No. 96, and shall in no case exceed the lowest combination of rates subject to the interstate commerce act; And provided further, That in those instances in which applications in accordance with fourth section order No. 8900 for authority to continue any of the said rates for more than six months, shall have been filed with this Commission within five months from the establishment of the rates authorized herein, such rates may be continued until the said applications shall have been determined."

"It is further ordered, That all other and further relief prayed in said applications Nos. 13832, 13933 and 13937 be, and the same is hereby, denied."

George S. Lovejoy, One of the Deans of the Merchandise Warehouse Industry, Dies at Age of 70. Was Past President of A. W. A. and American Chain

GEORGE S. LOVEJOY, formerly for many years president of the American Warehouseman's Association, and a pioneer merchandise storage executive who was nationally known and loved in the industry, died in the Riverbank Hospital at Cambridge, Mass., on Nov. 13 after a brief illness. He would have been 70 years old on April 1 next.

Since his retirement from active business nearly four years ago, when he suffered a shock in his office at the Quincy Market Cold Storage & Warehouse Co., Boston, Mr. Lovejoy regained his health, and, accompanied by Mrs. Lovejoy, made a trip to Europe, spent two winters in Florida, and visited various parts of the country, thoroughly enjoying himself and renewing past friendships wherever he went. While in Europe he inspected the public warehouses there and made a study of the continental free ports.

Prior to his retirement from business he had long been manager of the general storage department of the Quincy Market company. He was president of the American Chain of Warehouses, had served as president of the Massachusetts Warehousemen's Association, and was associated with Harvey C. Miller, Philadelphia, as a director of the Boston Tidewater Terminal which at that time was operating the extensive Army Base in South Boston.

Born in East Boston, George Smith Lovejoy spent most of his life in the midst of ships and shipping. When not attending the Adams School he was around among the wharves or in sailing boats. On Dec. 17, 1877, he entered the employ of the shipping firm of A. C. Lombard's Sons, Lewis Wharf, then one of the largest shipping companies of Boston port. During the ensuing eleven years he advanced from office boy to superintendent of a block of new modern warehouses and became a student of storage, shipping and the commission business.

Shortly after resigning from the Lombard firm he was appointed assistant wharfinger of Constitution Wharf. The owners had just completed four seven-story buildings which, at the time, were regarded as some of the best warehouses in the country. In two years the business had outgrown the structures and the owners erected three others, making a total of 206,000 square feet of storage space.

The sugar tariff was passing through a period of change. The duty was to come off on a certain day, and Mr. Lovejoy had stored, in bond, sugar to the amount of 75,000 barrels. Every grocer was keeping his stock of the staple as low as possible, so as to avoid paying duty, and Mr. Lovejoy was confronted with the stupendous job of delivering sugar after 6 p. m. on the designated day. He had teams to the number of 200 in line at 3 o'clock in the afternoon. They were allowed to load but not to drive away; Customs officers were sta-

tioned along the line to see that they did not start until the clock struck six. Then the teams galloped away to the wholesale grocers. They continued hauling all night and through the next day before the supply was exhausted.

When Constitution Wharf was sold to the former Fitchburg Railroad, in 1898, Mr. Lovejoy decided to go into business for himself. On his birthday in that year he formed a co-partnership with Charles S. Dennis and they leased several buildings for warehousing purposes. Shortly afterward came a change in the tariff on wool, and, as in other cities,

he succeeded his old partner, Charles S. Dennis, as manager of the Quincy Market firm's general storage department. During his twenty years in this position he successfully straightened out many intricate problems with credit both to himself and the firm, and his reward was a pension at his retirement.

Mr. Lovejoy's endeavor to put the public warehouse industry on a stable basis throughout the country is well known. Many of the ills from which the industry suffered were eliminated through his energetic efforts. His worth was recognized in 1913 by the American Warehousemen's Association, which elected him president in that year and reelected him six times. His important association activities included the chairmanship of the ports and port terminals committee and he visited virtually every port in the country in his constant warfare against Government and railroad competition with warehousing.

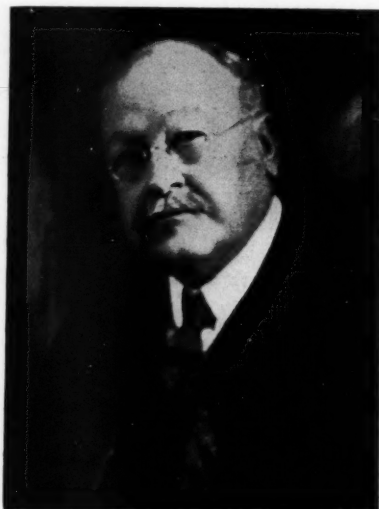
This work brought him into contact and friendship with leading storage executives throughout the United States. His knowledge of wharfage, acquired in his early training in business, was of inestimable value to him in his effort on behalf of the industry.

It was during Mr. Lovejoy's administration as president of the A. W. A. that there was developed the general merchandise warehouse encyclopedia, one of the industry's standard books today. Several years ago the A. W. A. paid him the tribute of electing him to honorary life membership.

In 1916 through his efforts he assembled the Bay State executives and the Massachusetts Warehousemen's Association was organized. He was its first president, was honored with re-elections and subsequently was awarded honorary life membership.

In 1920 Mr. Lovejoy, as president of the A. W. A., issued a letter of invitation to the traffic managers of the United States to attend the American's annual convention in December, at Cincinnati. This was the first step forward in the warehouse industry's history in bringing about a more intimate working relationship between warehousing and the manufacturing companies which distributed through warehouses. A group of traffic and sales executives appeared at Cincinnati and Mr. Lovejoy welcomed them on behalf of his industry. He appointed Alton H. Greeley, Cleveland, to sit in with the traffic representatives for a discussion of mutual problems, and the outcome of this conference was the organizing, in the following summer, of the Shippers' Warehousing & Distributing Association, later to become the National Distributors' Association. From the inception of the idea, Mr. Lovejoy advocated strongly the existence of a traffic managers' association which should work with the A. W. A., and he maintained his stand in the face of much opposition within the storage industry.

George Smith Lovejoy



1860-1929

the Boston warehouses and docks were soon overflowing with this commodity. The new firm disposed of all its storage space within forty-eight hours, and then, at the request of some of the larger importing houses, kept taking over more and larger warehouses. Within nine months the company took Constitution Wharf over under lease from the Fitchburg Railroad. Later the firm leased all the warehouses at Union Wharf, giving it twenty-eight storage buildings extending from East Cambridge to South Boston and containing more than a million square feet of storage space. When the tariff situation was readjusted the firm gave up all the warehouses except the Constitution Wharf and Union Wharf stores, which together contained 350,000 square feet.

In 1902 Mr. Lovejoy sold out his interest in the company and went into the warehouse business by himself, at India Wharf, under the name of George S. Lovejoy & Co. Here for a few years he did a successful business. Later, when the opportunity came to expand, he transferred his warehousing interests to the Quincy Market Cold Storage & Warehouse Co. In his new connection

Following his marriage to Miss Mary E. Dimond of Boston, on Sept. 10, 1884, Mr. Lovejoy established a home in East Boston and later removed to Somerville, where he became active in civic affairs and was a member of the Aldermanic board for several years. He later removed to Brookline, living at 10 Park Street. He was a member of John Abbott Lodge, A. F. and A. M.; Somerville Royal Arch Chapter; Boston Commandery, Knights Templar; Aleppo Temple, Mystic Shrine; Metropolitan

Lodge, A. O. U. W., Eastern Star Lodge, I. O. O. F., Somerville Lodge of Elks, Somerville Board of Trade, and other organizations, including Rotary, the Reciprocity Club of Boston, the Traffic Club of New England, the New England Traffic League, the Old Colony Club, the Boston Chamber of Commerce, the Somerville Board of Trade and the Central Club of Somerville. He had been president of the Winter Hill Cooperative Bank and a director of the Waverly Cooperative Bank and other organiza-

Besides his wife, Mr. Lovejoy is survived by two sons, George H. Lovejoy, who is warehouse solicitor for the North Station Industrial Building, Inc., Boston, and William M. Lovejoy of Belmont.

Funeral services were held in the Forest Hills Cemetery Chapel, Boston, on Nov. 15. Among the many organizations represented was the Massachusetts Warehousemen's Association, the group being headed by the president, Samuel G. Spear, Boston.

Death Removes T. D. Sullivan of Philadelphia Terminal

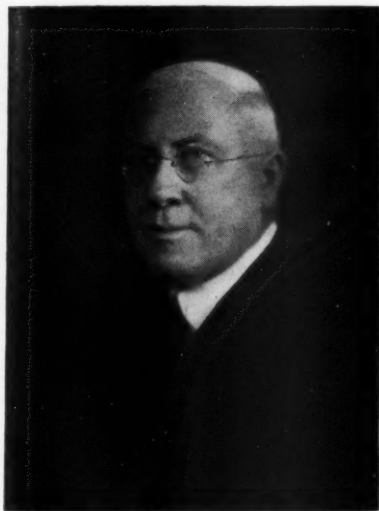
THOMAS D. SULLIVAN, president of the Terminal Warehouse Co., Philadelphia, and identified with other prominent enterprises in that city, died on Nov. 5 at his home, 6524 North Seventh Street, Oak Lane. He was 68 years old. Death was due to acute dilatation of the heart, caused by an attack of indigestion.

Born in Avondale, Chester County, Pa., on May 3, 1861, Mr. Sullivan at-

tively small structure of only a few thousand square feet but under his able direction the Terminal company grew until at the present time the buildings owned and operated by it cover more than thirty-six acres of floor space.

Mr. Sullivan was president also of the Terminal Commerce Building, Inc., now under construction and to have 1,500,000 square feet of floor space. He was vice-president and a director of the Northern Trust Co., a director of the Tradesmen's National Bank and Trust Co., and member of the Union League Club and of the Huntington Valley and Old York Country Clubs, and for many years had been active in the Spring Garden Association and in other enterprises identified with Philadelphia's development. He was a member of the merchandise division of the American Warehousemen's Association, the National Furniture Warehousemen's Association, the Pennsylvania State and Pennsylvania Furniture Warehousemen's Association and the Motor Truck Association of Pennsylvania.

Thomas D. Sullivan



1861-1929

tended school at Maplewood Institute, Concordville. He went to Philadelphia at the age of 18 and for a number of years was engaged in the steamship business and was employed at grain elevators along the Delaware River.

It was during this period that he came to realize the necessity for modern warehouse structures—to abolish, as he said, the rats and the waste in those ancient waterfront properties. Thus it came about that in 1904 he founded, with Samuel T. Kerr of Philadelphia, the Terminal Warehouse Co. Mr. Kerr resigned in 1916 and the business was taken over by Mr. Sullivan.

The original warehouse was a rela-

Charles A. Hall Is Dead; Headed Empire Freight Co.

CHARLES A. HALL, president of the Empire Freight Company of New York, Inc., formerly the Charles A. Hall Co., Inc., died at the Mount Vernon (N. Y.) Hospital on Nov. 16 after an emergency operation for acute appendicitis. He was in his seventieth year.

Born in Crestline, Ohio, on May 29, 1860, Mr. Hall spent his early years in Ohio, principally in Cleveland. Moving to New York nearly thirty years ago, he became associated with the Great Northern Railway as contracting agent for movement of Asiatic freight via overland and Pacific. His success in this field attracted the attention of the Southern Pacific, which at the time was doing its forwarding through Alfred H. Post & Co. as agents, and at the railway's request he joined the Post firm.

In 1911 Mr. Hall became general agent in New York for the Judson Freight Forwarding Co., which at that time was doing a small household goods business, and it was partly through his efforts that the Judson organization experienced expansion of this line. One of his first successful moves was acquisition of the agency for the Pacific Mail

Steamship Co. and the Toto Kisen Kaisha in the Oriental trade, and also for the Pacific Mail-Panama route operating out of New York to San Francisco via the Panama Steamship & Railroad Co. and Cristobal, C. Z.

One of the founders of the New York Brokers and Forwarders' Association, Mr. Hall was the organization's first president.

In December of 1925 Mr. Hall announced his retirement from the Judson organization and on Jan. 2, 1926, he embarked in business as head of the

Charles A. Hall



1860-1929

Charles A. Hall Co., Inc. This he operated until June 1, 1929, when, in order to establish a nationwide hook-up, his company was reincorporated under the Empire name.

Mr. Hall was a member of the Ohio Society of New York, Hudson River Country Club, Whitehall Club, New York Produce Exchange Club, Traffic Club, and of the New York, New Jersey, Pennsylvania, Connecticut, Upper New York, and Brooklyn and Long Island furniture warehousemen's associations.

Mr. Hall is survived by a daughter, Mrs. Robert I. Neill, of Tuckahoe, N. Y., and a son, Howard B. Hall, of Scarsdale, N. Y. Funeral services were held in Tuckahoe. Burial was at Galion, Ohio.

The Family Album Presents Sketch of W. A. Whitmore

(Concluded from page 20)

agent on a time basis. He established this business at 3119 Cumberland Avenue and acquired several horses and wagons for his coal enterprise. Mr. Whitmore, by the way, always has handled his own advertising and continues to do so and it was while in the coal business that he originated the especially felicitous line, which he had on his stationery, cards and building, "Whitmore's Coal Makes Warm Friends." Variations of this slogan since have been copied by other dealers.

Mr. Whitmore never liked standing still in business; he had that "admirable itch for progress" and it was when he realized the waste of horses and wagons being largely idle in summer, that he determined to put them to some extra use and hit upon the furniture moving business as a good means of so doing.

Mr. Whitmore found that it was necessary to have storage facilities as well as those for moving. He borrowed \$2,000 from a trust company and rented the second floor of a concrete building at Indiana Avenue and Twenty-first Street, as a warehouse. He hustled at a lively pace and found there was a good demand for his services. He started with six horses and a number of wagons, but he lost them in a fire and virtually had to start all over again with one rented horse and wagon, a driver and a helper. He was able to keep his warehouse well filled, but that was the trouble; when it was filled, and it was small, his income was limited to returns from that space and there was no chance to progress along that line. However, he was able first to purchase his rented horse and wagon and then to add one horse-drawn truck and then another, till he had a respectable fleet.

One day, driving by the Shibe Park grandstand building, he happened to think what a splendid place it would be for a warehouse if the underpinning, all concrete, with its vast space, could be properly housed. True, it was not the ideal shape for a warehouse, but it was none the less a great opportunity. He greatly needed the space to expand. To see an opportunity is to reach for it, in Mr. Whitmore's case. Accordingly he made a few inquiries and then wasted no time in approaching "Connie" Mack and Shibe about leasing the under-portion of their grandstand to him for a warehouse. That, as the comic strip says, was "the beginning of a beautiful friendship." Although Mack and Shibe put no cash into the Whitmore enterprise they were pleased at the outlook as described by him and readily took stock in it.

Mr. Whitmore first built fifty storage rooms beneath the grandstand seats, filled them; built fifty more, and kept on building according to his needs and filling the spaces with the furniture of his patrons. It will be noted that he took no long chances of finishing off such a big warehouse and then waiting to

fill it. He did things by degrees as he could afford.

This method helped him "build on a firm foundation." It took enough money, as it was, to put in all that flooring and other wood. Still pushed for space, Mr. Whitmore kept adding rooms and he built a second and even a third floor beneath the grandstand seats to accommodate his business. When horse-drawn vans "went out," he sold them and purchased first one motor van and then another, until the present fleet had been accumulated.

The business thrived and four or five years ago he purchased the stock of Mack and Shibe. He reorganized the business, made his former bookkeeper in the coal business and earlier storage enterprise, C. A. Fitzpatrick, secretary and treasurer, giving him an interest in the North Philadelphia Storage Co., and also gave his nephews, W. H. McLaughlin and E. L. Laughlin, interests, making the former vice-president and the latter assistant cashier.

Mr. Whitmore is married and has a daughter, Miss Virginia, who is a noted dancer, having studied under the best artists in this country and Europe and who has given exhibitions both here and abroad. She has had valuable experience with the Shuberts. Mr. Whitmore's other hobby, in addition to dancing, is driving, and he takes great pleasure in expertly handling his Snappy Hudson brougham. He is a member of both the Pennsylvania Furniture Warehousemen's Association and the National Furniture Warehousemen's Association.

Quincy Market Net Earnings

Net earnings of the Quincy Market Cold Storage & Warehouse Co., Boston, for six months ended Sept. 30 were equal, after preferred dividends, to \$3.01 a share on 35,000 shares of common, compared with \$1.44 per share in the same period of 1928 and 11 cents per share in the corresponding period in 1927.

The net earnings, after depreciation and Federal taxes, totalled \$149,120 during the six-months period this year, against \$98,128 last year and \$47,469 in the same period in 1927.

Founder of Sterling Truck Co. Dies

William G. Sternberg, Sr., a pioneer in the motor truck industry and who founded the Sterling Motor Truck Co., died at his home in Milwaukee on Nov. 16 at the age of 80. He invented many automotive and agricultural articles.

EARN A STAR

GIVE your company's listing, in the 1930 Warehouse Directory, added value by having the information notaried, thereby assuring it serious consideration when consulted by shippers and fellow warehousemen. Only when the information has been notaried does a listing receive the boldface Star.

Majority But Not Two-Thirds

Approval of Calendar Reform

PROPOSALS for calendar reform received strong majorities, although they failed to win the necessary two-thirds majorities, in the recent nationwide referendum of business organizations affiliated with the Chamber of Commerce of the United States. Inasmuch as the Chamber can be committed to proposals only through two-thirds vote, no decisions were reached.

The proposals submitted to the membership and the vote on each follow:

That the present calendar should be so changed as to bring about a great comparability in business records for periods within a year and for periods from year to year: For 1549, against 1318, necessary to carry 1912.

That the form which changes in the calendar should take should be determined through international conference: For 1783, against 1082, necessary to carry 1910.

That the government of the United States should participate in an international conference to determine the form of changes to be made in the calendar: For 1856, against 1009, necessary to carry 1911.

The proposals were recommendations in a report prepared by a special committee of the chamber, accompanied by a minority finding advocating continuance of the present calendar.

The committee report emphasized inconveniences in business accounting arising from the fact that months, quarters and half years are of unequal length, but put forward no specific plan. The majority members, however, expressed preference for a thirteen-month system.

The committee's minority members frankly opposed any calendar changes.

200 Plans Considered

A committee reporting to the League of Nations recently went over two hundred plans for changing the calendar and recommended that attention should be centered on these three fundamental questions:

1. Should the divisions of the year in the present calendar be so changed that there will be greater uniformity in length and consequently better comparability?

2. Should the weeks be fixed in their relation to the divisions of the year in which they occur?

3. How should the form of the changes be determined?

The International Chamber of Commerce and the International Astronomical Union are also among the organizations which have studied the calendar problem for several years.

Norment Succeeds Bell

Clarence F. Norment has succeeded the late Charles J. Bell as chairman of the board of the Terminal Refrigerating & Warehousing Co., Washington, D. C.



King of the Highway

In this great automotive age the success of International Trucks stands like a beacon on the horizon. Coming into prominence like a thoroughbred destined for victory, International Harvester has scored a triumph in truck engineering and in popular approval throughout the world. The basic reason is twofold: International trucks are soundly built on twenty-five years' experience in automotive manufacture—and International performance is safeguarded by a Company-owned truck service organization without a peer in the industry.

International Trucks include the $\frac{3}{4}$ -ton Special Delivery; the 1-ton Six-Speed Special; Speed Trucks, 1 $\frac{1}{4}$, 1 $\frac{1}{2}$, and 2-ton; and Heavy-Duty Trucks to 5-ton. Company-owned branches at 174 points and dealers everywhere have the line on their display floors for convenient inspection. Catalogs on request.

INTERNATIONAL HARVESTER COMPANY

606 S. Michigan Ave.

OF AMERICA
(INCORPORATED)

Chicago, Illinois



INTERNATIONAL TRUCKS

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Career of William I. Ford in the Family Album Series

(Concluded from page 21)

cordingly he made his investment in the warehouse venture.

He did not, however, quit the law at once. He liked it, and for a year or so he debated with himself and his friends. Lawyers who had not done well congratulated him on having sense enough to leave a none too enticing occupation. Those who were more successful advised him to remain where he was and they pointed to a prosperous and satisfying future.

The question was eventually settled in favor of warehousing.

Mr. Ford's first connection with the business was with the Haggerty Transfer Co., a concern which he and Robert E. Eagon, his present partner in the Interstate, eventually purchased. This company was succeeded by three or four different enterprises, each in its turn presenting its problems. Hard knocks, "freeze outs," fires and disappointments came and went but finally there emerged the Interstate Fireproof Storage & Transfer Co., as it is known today.

The present plant, operated on a long term lease, is an eight-story fireproof building at 301 North Market Street. It comprises 160,000 square feet of storage space and was erected according to plans formulated by Mr. Ford after visiting warehouses all over the country. After studying various organizations already in operation, the tall Texan adapted the best features of each to his own particular enterprise, and warehousemen inspecting his plant now are lavish in their compliments on the arrangement of the building and its facilities.

Mr. Ford voices no regrets for having entered the warehouse industry but he doubts if he would recommend it to the young man just starting out.

"The past fifteen years," he declares, "have seen a very rapid development in the field and a high point of efficiency has been reached so that now the country must grow to the present facilities or there will come that 'survival of the fittest' which is anything but profitable."

This rapid development, and the high standards which it has brought about, Mr. Ford attributes to the fine work of the various warehousing associations. It was to these organizations, indeed, that Mr. Ford turned when he was emerging as a warehouseman and needed to learn all there was to know about the business. Having once heard of the associations, he began to attend their meetings and in time he made a success of his own venture. In time, too, he became president of one of the most important of them all—the National Furniture Warehousemen's Association. Some years prior to that he served as president of the old Central Warehousemen's Club, and he has been president of the Texas Warehouse & Transfermen's Association.

Mr. Ford's hobby is business but he is exceedingly fond of sports. At one

time he owned 108 head of horses which included several that he rode or drove. Thirteen years ago he sold the horses, however, and since that time he has turned to golf, football and baseball to satisfy his out-of-door tastes, with an occasional prize fight or wrestling match for excitement. He also enjoys duck hunting.

Being a member of various clubs, including the Athletic club and the Kiwanis, he is active in civic affairs. His taste in literature runs to biographical works, because he likes history and because he finds an inspiration in reading of the lives of great men.

Mr. Ford has been married about fifteen years, and Mrs. Ford quite frequently lends her charm—the traditional charm of the Southern woman—to the social activities that are a part of the association conventions.

R. L. Miller Retires from Warehousing

Roman L. Miller, for eight years interested in the John F. Ivory warehousing and storage interests in Detroit, has resigned from the Ivory firm to devote his efforts to the Miller & Lanpher Garage, which he opened recently. Mr. Miller is particularly well known in associational circles, having taken an important part in the Michigan Furniture Warehousemen's Association, the Detroit Furniture Warehousemen's Association and the Detroit Van Owners' Association. He has served several terms as secretary of the Detroit Furniture Dealers' Association.

Mr. Miller joined the Ivory company in 1923 as manager of the Lafayette Storage Co., later becoming general manager of the John F. Ivory Storage Co., which was successor to the former organization. Two years ago the John F. Ivory Storage Co., and the John F. Ivory Moving Co. were merged, at which time John F. Ivory became general manager and Mr. Miller secretary of the joint company.

Another Westland Unit

The Westland Warehouses, Inc., Los Angeles, will start immediate construction of another \$100,000 unit, to contain 60,000 square feet of floor space. This is the fourth addition since the original building was put up. The third was started about six months ago and completion of it and the fourth structure will give the company 426,000 square feet of storage room.

The fourth unit will be six stories high, 82 by 120 feet, and will be completely equipped with modern freight-handling machinery.

Hitch Your Warehouse to a Star

THE national distributor will look for the Star when consulting the 1930 Warehouse Directory in selecting points for storage. Will your listing be Starred next year? It will be if you notarized the information you returned.

Activities of Executives

In and Out of the Industry

H. R. MCCLINTOCK, president of the H. McClintock Storage Warehouse Co., San Diego, has been elected to the advisory board of the Aircraft Finance Corporation of America, which has offices in Los Angeles. The organization was created to function in the aviation field as an investment trust, holding corporation, finance company and general insurance agency. Mr. McClintock is president of the Russell Parachute Co., San Diego.

Francis H. McCourt, formerly connected with the Anchor Stores, Inc., and with the Central Free & Bonded Warehouse Co., New York, has associated himself with the John B. Hobby's Son Co., New York, operating the latter firm's general order, free and bonded plants at 24 to 27 West Street.

Frederick N. Bates resigned as president of the Merchants Cold Storage Co., Minneapolis, effective Nov. 1, to assume the management of the cold storage operations of the Consolidated Gas & Electric Co., Baltimore. He has been succeeded in Minneapolis by A. E. Gash.

Ray M. King, president of the King Storage Warehouse, Inc., Syracuse, N. Y., has been elected, for the fourth consecutive year, president of the Onondaga Council of the Boy Scouts of America. Mr. King has been active in this work for the past thirteen years.

W. P. Crooks, general manager in Kansas City for the Crooks Terminal Warehouses of Chicago and Kansas City, has removed to Arizona, with his family, for the winter. During his absence the business in Kansas City will be under the management of Joseph Crooks.

John S. Payne has sold his interest in the Central Warehouse & Drayage Co., San Francisco, to Benjamin Cassinerio, who has assumed general management, ownership and control. Mr. Payne is president of the Simmons Hardware Co., St. Louis, Mo.

James L. McAuliff, secretary of the David Fireproof Storage Warehouses, Chicago, was elected president of the Movers' Association of Chicago at the organization's meeting on Oct. 8. He succeeds Ralph J. Wood, president of the Lincoln Warehouse Corp.

Wilford Fenton Long, son of F. R. Long, manager of the S. N. Long Warehouse, St. Louis, and Miss Katherine Barnes, daughter of Mrs. Katherine Barnes, were married on Oct. 5.

Charles Clagett Daniel, son of C. C. Daniel, president of the Central Storage Co., Kansas City, and Miss Agnes Elaine Hildebrand were married on Oct. 26.

SPECIFY GOODRICH ON YOUR NEXT TRUCK



Recommended for heavy
hauling . . .

(Left) Goodrich De Luxe Cushion Safety—Made of the toughest, strongest, and most wear-resisting materials. For rear wheels of medium or heavy trucks. A "safety" that combines traction and mileage.

Goodrich De Luxe Cushion—(Right) A tire that has established a 15-year reputation for dependability. Extra thick, tough smooth tread designed for easy steering and economy of operation.

"We are so well pleased with service that we have decided to continue the use of Goodrich Tires next year," . . . says

WALTER METCALF, JR., Manager Blue Line Transfer Company

IN Kansas City, Mo., the Blue Line Transfer Company operates a general transfer line with a fleet of Goodrich tire equipped trucks. Their business is light and heavy hauling.

"The item of tire expense is very prominent in our operating expense," says Walter Metcalf, Jr., Manager of the Blue Line Transfer Company.

"We have been so well pleased with the services we have obtained through the use of Goodrich Tires that we have decided to

continue your equipment the coming year."

Need more be said? Why not take his tip and do likewise this next year? You can begin now by specifying Goodrich on your next truck.

* * *

The B. F. Goodrich Rubber Company,
Established 1870, Akron, O. Pacific Good-
rich Rubber Company, Los Angeles, Cal.
In Canada: Canadian Good-
rich Co., Kitchener, Ont.



Goodrich for Truck Tires

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Census Bureau Announces Manufacture-Census Plans

THE advisory committee on manufactures, which was appointed by Secretary of Commerce Lamont last summer, has approached the forthcoming decennial inventory of manufacturing operations from a practical standpoint. Under the chairmanship of L. S. Horner, president of the Niles-Bement-Pond Company, New York City, the committee has formulated plans for this huge undertaking of the Bureau of the Census, and after thorough study and consultation with experts is ready now to put into working force ideas which it believes will result in the collection of data which will be of materially increased value to manufacturers, both from an accuracy and timeliness standpoint.

"American production and distribution have entered into a new era of activity," says a November statement from the committee. "New and intensified problems have appeared on the horizon—production has become an exact science, and keener and keener competition has harassed distribution. The manufacturer and the distributor cannot depend on the old thumb-and-rule methods—they must keep fully abreast of the times through current data if they are to succeed.

"The committee and the Census Bureau officials are keenly aware of the large value of current production and distribution data to the manufacturers and distributors of every city and town of the country. They are desirous that the benefits of this manufacturing inventory to be taken in January shall be shared by the business men of every community, so that waste in production and distribution may be eliminated and the full fruits of labor shared by all business, large and small.

"With this view in mind the committee created a sub-committee on information under the chairmanship of Robert M. Davis, statistical editor, McGraw-Hill Publishing Co., New York City. This sub-committee has studied the best methods of bringing the practical use of the census data to the attention of the manufacturers of the country in order that accurate and quick returns may be received by the Census Bureau at the opening of the year. A careful plan has been laid out which it is believed will result in every manufacturer becoming thoroughly familiar with the census of manufactures and its potential use in the solution of his operating and marketing problems. Resolutions are being adopted by conventions and trade associations supporting these efforts of the Census Bureau; indorsements of the census are being obtained from outstanding manufacturers; articles dealing with various phases of the census are being prepared for the press and trade journals, and the radio broadcasting systems are offering their networks free of charge. It was felt, however, that, in addition to this general coverage of the various phases of the census, a more direct method must be adopted which would reach manufacturers throughout

the country in a most direct and convincing way. Hence the committee on information advised the appointment by the Bureau of the Census of an expert on manufactures and distribution whose function would be to bring the practical value of the census of manufactures to the close attention of the manufacturing industry.

"John E. Palmer has been appointed by Director Steuart of the Bureau of the Census to direct a plan of procedure which it is believed will bring the practical value of the census of manufactures to the attention of every manufacturer.

"The community is to be the basis of approach. Community cooperation among business men is an established fact today. Obtain this cooperation for the Department of Commerce and a channel is provided for the dissimulation of information to manufacturers and distributors which is unexcelled. The directing head of such community cooperation is the local board of trade, chamber of commerce and service clubs. Therefore the first step, in the opinion of Mr. Palmer, is to obtain the cordial cooperation of these local trade and service bodies, and to place on them the responsibility for the dissemination of the necessary information among manufacturers and distributors. Efforts will be made to reach every community in the country through these local trade and service organizations.

"The United States has been divided into seventeen districts. Every community of any size in each of these districts will be card-indexed, and the local trade association and service clubs within 100 miles will be requested to send delegates representing the local manufacturers and distributors to a conference of all community representatives of the district, said conference to be held at a central city in the district. Trade association and service clubs in communities outside the 100-mile limit will be reached through correspondence. These invitations will set forth the tempo of industry and business, the absolute necessity of basic information for business success, and the large value which will ensue to the community through sending a representative to such a conference comprising representatives of every community in the district. Few communities will want to take a chance on losing out through not being represented at such a conference. It is the belief of the committee on information that at least 90 per cent of the communities will send representatives to such a conference."

The first of these luncheon-conferences, held on Nov. 22 in New York City, was addressed by Dr. Julius Klein, Assistant Secretary of Commerce; Colonel Horner, chairman of the advisory committee on manufactures; Fred M. Feiker, chairman of the advisory committee on distribution, and W. M. Steuart, director of the Bureau of the Census. Subsequent conferences in November were at Philadelphia on the 25th, Atlanta on the 27th, Detroit

(Concluded on page 56)

Grocers Plan Cooperative Warehousing in Many Cities

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

PLANS for establishment of cooperative grocery terminals, or warehouses, in the principal cities throughout the United States were approved by the Associated Grocery Manufacturers of America at an executive session here on Nov. 6 in conjunction with the organization's annual convention.

While details have not yet been worked out, the movement, in which 230 member companies of the grocery organization are expected to participate jointly, was outlined in a report which the manufacturers' transportation and warehousing committee submitted.

Gigantic in scope, the plan will have the effect not only of expediting and facilitating distribution of the products of the manufacturers who take part, but it will carry an added economy feature in that it will centralize the sales personnel of the manufacturers in the cities in which the terminals are established.

Pointing out that the project will effect every person in the United States, H. R. Drackett, president of the association, said that cooperative warehousing in what he termed "the world's largest industry" would be the most progressive step ever taken in distribution. Consumers in all parts of the country would undoubtedly benefit.

The development of the terminal system will be carried out by the association's newly established merchandising division working with the executive management of the organization.

In nearly every city, at present, grocery manufacturers warehouse their goods in dozens of different warehouses, with the result that an endless network of truck routes from the various plants to the warehouses of the jobbers and the chain stores has established itself.

Mr. Drackett cited an example of one city in which three railroad stations are located and in which twelve warehouses are maintained by grocery manufacturers, pointing out that "thirty-six trucking operations are now necessary to get products from freight stations into manufacturers' storehouses."

It is the hope of the association to improve this situation immediately and in a definite way with the establishing of the group warehousing plan. It will then be possible, they say, to make deliveries of grocery products from one central point to the jobbers' warehouses and the chain store warehouses within any given territory quickly and efficiently, with a resultant saving to jobber, chain store operator and manufacturer.

There is also another economic feature attached to the group warehousing plan by its sponsors. With a large number of manufacturers grouped together, it will be possible to maintain a more efficient system of stock control. This will mean a material saving in the inventory carrying charges now sustained by the manufacturers.

—Robert C. McClellan.

Increases PAYLOAD Capacity 300%



... with little, if any, increase
in operating costs!

THE Northwestern Terminal Company keeps four tractors rolling, hauling twenty trailers loaded with L. C. L. freight between outlying and downtown depots in Minneapolis and St. Paul.

In this particular type of haulage, according to A. W. Trenholm, Secretary, the company obtains from each scientific combination of a powerful General Motors Truck tractor with trailer, about three times as much work—measured in actual payload—as could be obtained from an ordinary standard truck. And with little, if any, increase in cost, he adds.

Moreover, while one trailer is being loaded, another is being unloaded and a third is enroute. Hence *man power* and

motive power are both kept constantly at *productive work*.

The company operates on contract with the "Northwestern" lines, "Northern Pacific" lines and the "Soo" lines. The system saves the shipper 24 hours.

Twelve of the company's fleet of fourteen trucks and tractors are General Motors Truck units.

You might find it profitable to find out *how* and *why* General Motors Trucks can turn in real profits, day in and day out, for you. This great line of proved money-makers merits investigation. Write, phone or call.

GENERAL MOTORS TRUCKS

GENERAL MOTORS TRUCK COMPANY, Pontiac Mich. (Subsidiary of Yellow Truck & Coach Mfg. Co.)
GENERAL MOTORS TRUCKS, YELLOW CABS and COACHES

Factory Branches, Distributors, Dealers—in 1500 principal cities and towns
(Time payments financed through Yellow Manufacturing Acceptance Corporation plan, at lowest available rates)

ALWAYS INVESTIGATE WHAT GENERAL MOTORS HAS BEFORE YOU BUY

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

I.C.C. Suspends Regulation on "Follow-Lot" Freight

DISTRIBUTION AND WAREHOUSING'S
Washington Bureau,
1163 National Press Building.

RAILROAD schedules filed with the Interstate Commerce Commission, proposing to restrict two rules of the Consolidated Freight Classification governing excess freight that cannot be loaded in one car, and when two small cars are furnished in lieu of a larger car, have been suspended by the Commission from Oct. 1, 1929, to May 1, 1930, pending an investigation.

The restrictions, which were assailed by various shippers, would have the effect of forcing shippers to unload "follow-lot" shipments on the same track, the cars being contiguous to each other.

The difficulty arises when a shipment exceeds one car. In such a case the excess freight is loaded into another car which is termed the "follow-lot." The proposed restriction to the rule would force shippers to treat the two cars as one. In other words, if the "follow-lot" is delayed in arriving at destination, the first shipment must await its arrival before unloading, causing considerable expense and damage to the shipper.

Difficulties are also encountered when two small cars are used instead of one large car, if the restriction is to be taken literally. In such a case shippers having unloading platforms and doors designed for large cars cannot unload two small cars if they are coupled, without expensive trucking, inasmuch as the car doors would not be opposite those in the warehouse of freight station.

The railroads, on the other hand, feel that the restrictions are justified, due to the practice of shippers in treating "follow-lot" shipments as separate loads, although they come under the "carlot"

classification. The "follow-lot" practice is a "distinct concession" on the part of the carriers, it was said for the railroads.

It was contended that shippers oftentimes deliver the broken load at two separate places, and it is against this practice that the restriction was aimed. Such separate delivery occasions additional switching and expense to the carriers, it was said.

The Commission suspended the proposed schedules in order to investigate the situation at a hearing to be had some time this fall. All interested parties will be notified to appear at the hearing and present testimony for or against the proposed change.

Rule 24, section 5 of the Consolidated Freight Classification states:

"Carriers may handle the excess through freight stations, and may load other freight in or on car carrying the excess." The restriction proposed would add to the rule "but unless otherwise provided, carriers' employees must not accept orders from shippers or consignee to place a car for the loading or unloading of the excess elsewhere than on one and the same track with and contiguous to another car containing part of the shipment."

The restriction on Rule 34 provides: "When two cars are furnished in lieu of a longer car ordered, carriers' employees must not accept orders from shippers or consignee to place such cars for loading or unloading otherwise than on one and the same track and contiguous to each other."

—Michael M. McNamee, Jr.

W. H. Howell Passes

William H. Howell, father of William A. Howell, owner of the Empire Transfer & Storage Co., Kansas City, died on Nov. 6 at the age of 82.

Census Bureau Announces Manufacture-Census Plans

(Concluded from page 54)

on the 29th and Buffalo on the 30th. The December schedule is as follows:

Dec. 2—Hotel William Penn, Pittsburgh.
Dec. 4—Statler Hotel, Cleveland.
Dec. 5—La Salle Hotel, Chicago.
Dec. 7—St. Charles Hotel, New Orleans.
Dec. 9—Jefferson Hotel, Dallas.
Dec. 11—Statler Hotel, St. Louis.
Dec. 12—Fontenelle Hotel, Omaha.
Dec. 14—Brown-Palace, Denver.
Dec. 17—Olympic Hotel, Seattle.
Dec. 19—Claremont Hotel, San Francisco.
Dec. 20—Biltmore Hotel, Los Angeles.
Jan. 4—Chamber of Commerce, Boston.

At these conferences the representatives are asked to return to their communities and do five things:

First, give local newspapers reports of the conferences.

Second, keep the newspapers informed of local and national census developments.

Third, organize meetings of local manufacturers about the middle of January.

Fourth, organize meetings of local wholesalers and distributors about the middle of April.

Fifth, deliver short radio addresses.

"Through these methods," the advisory committee explains, "the Bureau of the Census hopes so to inform manufacturers as to the value of the census information that the reports on production operations will be made available to the Census Bureau in Washington by the middle of February at the latest. Such an accomplishment would make it possible for the Bureau to make available to the manufacturing industry basic data within six months—a result which would render the census of manufactures of inestimable value to American manufacturers in the study of their production and marketing problems. In addition, the Bureau believes that many thousands of dollars will be saved to the Government through more accurate returns, and a material decrease in the amount of special field work necessary to obtain correct reports."

A New Barge Line to Operate

A barge line between Cincinnati and New Orleans—the third such service between the Gulf port and the upper Mississippi Valley—will be opened early in 1929, according to advices received by the United States Shipping Board and made public at Washington on Nov. 20.

To be operated by the Mississippi Valley Barge Line Co. of St. Louis, the service probably will comprise 50 barges and 5 towboats, it was stated. Although details have not been worked out, it is said that bi-weekly schedule is contemplated with a downstream schedule of six days, from Cincinnati to New Orleans, and an upstream schedule of 12 days.

Intermediate points will be served, including Louisville, New Albany, Henderson, Brookport, Metropolis, Joppa, Cairo, Bird's Point, Memphis, Helena, Greenville, Vicksburg, Natchez and Baton Rouge, according to the Board.

Glenn Company Exhibit in Buffalo



Here is illustrated the exhibit of O. J. Glenn & Son, Buffalo, at the recent Buffalo Better Homes & Building Exposition, held in the Broadway Auditorium. One feature was a miniature, illuminated inside, of the Glenn firm's vault installed by the Haskellite Manufacturing Co. "One reaction that we got," according to Joseph W. Glenn, "was the lack of knowledge of so many people of what the modern mover and warehouseman has to offer in the form of service and the protection of goods placed in storage. The exhibit was in charge of our outside men and estimators. We feel well repaid for the money and time spent, from definite orders booked and prospects received, and also from the interest displayed."

At Last...

the cost cutting facts you've needed most!



Time To Re-tire
GET A FISK!
TRADE MARK REG. U.S. PAT. OFF.

FISK

WHEEL AND RIM
MANUAL



THE FISK TIRE COMPANY,
Commercial Tire Dept.
CHICOPEE FALLS, MASSACHUSETTS

THE present day demand is for speedier haulage, speedier transportation. To meet this demand and keep operating costs at their lowest, you *must* have the up-to-date information that has now been gathered into one book, the new Fisk Wheel and Rim Manual.

This book is complete and detailed. It shows you in every case the most efficient, least expensive way to apply proper tire equipment in meeting modern day operating needs. We will send a copy of this expensive book without charge, to anyone in charge of truck or bus fleet operations who writes promptly on his own letterhead.

If you wish, our Engineering Department will make a thorough analysis of your particular equipment needs, without charge or obligation. Write, today, to

THE FISK TIRE COMPANY, Inc.

Commercial Tire Department

CHICOPEE FALLS

MASSACHUSETTS

FISK

WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Construction, Removals, Purchases and Changes

Alabama

BIRMINGHAM—Wittichen Transfer & Warehouse Co. has added to its fleet a Mack bus chassis mounted with a van of 900 cu. ft. capacity.

Arizona

Tucson—Southern Pacific Railroad Co. plans to spend \$40,000 extending and improving its warehouse and terminal.

Arkansas

Fayetteville—Harvey Jones Transportation Co., Springdale, Ark., has secured permission from the State Railroad Commission to operate a motor freight line from Fayetteville to Gravette and from Rogers to Hinsdale and Eureka Springs and vicinity.

California

Alameda—Encinal Terminal Co. plans to rebuild that portion of its terminal and loading wharf which was wrecked by fire on Oct. 30 with an estimated loss of \$250,000.

Hayward—David Block, owner of a furniture business, is erecting a household goods warehouse, brick, fireproof, 38 by 100 feet, on Main Street.

Long Beach—Parr Terminal Co., San Francisco, is said to be planning a \$250,000 terminal and dock development at Long Beach.

Los Angeles—Central Ice & Cold Storage Co. has filed plans for a \$50,000 one-story cold storage warehouse and ice plant at 1217-1227 South Soto Street.

Los Angeles—Los Angeles & Phoenix Express Co. is erecting a one-story trucking depot office at Fifth and Colyton Streets.

Los Angeles—Pioneer Truck & Transfer Co. has been authorized by the State Railroad Commission to issue a note in the sum of \$75,000, with interest at the rate of 7 per cent, to finance construction of a warehouse.

Maywood—Marlow Transfer Co. has removed to 4501 E. Slauson Avenue from 4358 E. Slauson Avenue.

Monterey—Monterey Ice Delivery Co. has plans for \$55,000 cold storage warehouse and ice plant, 75 by 100 feet.

Oceanside—Higley's Transfer & Storage is erecting a reinforced concrete fireproof warehouse at 316 South Cleveland Street.

Connecticut

Darien—Paragon Fireproof Storage Warehouse Co., recently organized by Thomas O'Connor, a taxi station proprietor, is erecting a fireproof warehouse for storage of household goods.

Idaho

Burley—Oregon Short Line Railroad Co. has plans for a \$50,000 one-story warehouse and freight terminal, 25 by 200 feet.

Illinois

Galesburg—Chicago, Burlington & Quincy Railroad Co. is said to be plan-

ning expenditure of \$2,000,000 on a warehouse and freight terminal development.

Indiana

Indianapolis—Ferguson Transfer Co. will erect a modern fireproof two-story household goods depository, with from 12,000 to 15,000 sq. ft. of floor space, on West Indiana Avenue.

Indianapolis—Hogan Transfer & Storage Co. has filed papers changing its name to the Hogan-Schroeder Storage Co. and amending the seal of the corporation.

Indianapolis—D. Mash Trucking Co., Inc., has leased a building at 2168 Northwestern Avenue as a warehouse.

Indianapolis—Terminal Distributing Construction Corporation has filed plans for a \$100,000 three-story warehouse unit, 105 by 400 feet, at State Street and Willard Park.

Kentucky

Louisville—Inland Waterways Co. has approved plans for an \$85,000 three-story terminal and warehouse, 90 by 230 feet, on President Street fronting on the Ohio River.

Louisiana

Lake Charles—Lake Charles Harbor & Terminal District has approved plans for a \$25,000 wharf storage building, 120 by 140 feet, for distributing service.

New Orleans—Teche Transfer Co. has filed plans for \$21,000 worth of improvements at its warehouse and headquarters building at North Rampart and Conti Street.

Maryland

Baltimore—Canton Railroad Co. has approved plans for a \$75,000 one-story warehouse and freight addition.

Baltimore—Pennsylvania Railroad Co. plans construction of two warehouse and freight terminals near the Calvert Station.

Massachusetts

New Bedford—Belleville Warehouse Co. has been purchased by the Firestone Tire & Rubber Co. The deal involves the entire capital stock of the Belleville firm and the new owners took charge on Nov. 1.

Michigan

Detroit—Detroit Transfer Co. has filed plans for a \$130,000 two-story automobile service, repair and garage building, 110 by 190 feet.

Detroit—Inter-City Trucking Service Co. has filed plans for a \$120,000 one-story truck terminal, 125 by 300 feet, on 12th Street.

Michigan Southern Transportation Co., which operates truck and bus lines through central Michigan, has applied to the States Public Utilities Commission for permission to issue \$1,000,000 of stock.

Minnesota

Minneapolis—La Belle Safety Storage Co. has plans for an \$18,000 one-story building, 45 by 105 feet, for loading and

(Concluded on page 60)

New Incorporations Within the Industry

California

LOS ANGELES—Western Freight Association. Freight transfer and express. Capital, 20,000 shares of no par value stock. Incorporators, J. F. Keating, V. B. Copelin and J. O'Leary.

Connecticut

Bridgeport—Cavanagh Motor Transportation Co. Capital, \$10,000. Incorporators, C. Cavanagh and Edward Cavanagh.

Illinois

Chicago—Interstate Transit Lines, Inc. Capital, \$100,000. Incorporators, H. S. Larimer, L. D. Clifford and I. C. Belden.

Chicago—National Auto Forwarding Co. Capital, 300 shares of no par value stock. Incorporators, Gerald L. Daniels and William J. Hamilton.

Indiana

Vincennes—Stable Storage, Inc. Produce storage and transfer. Capital, 100 shares of no par value stock. Incorporators, C. C. Winkler, R. F. Lang and Clarence Deem.

Michigan

Benton Harbor—U. S. Consumers Co. General warehouse, brokerage and commission business. Capital, \$10,000. Incorporators, Len Y. Smith, Hillger and L. M. Labuddie, Chicago.

Detroit—Express Transportation Co. Warehousing and transfer. Capital, \$25,000 and 25,000 shares of no par value stock. Incorporators, Dudleigh L. Peck, Alexander Gellatly and David D. Gillespie.

Detroit—Gamble Moving & Storage Co. Capital, \$10,000. Incorporators, Benjamin Jacob, Eugene B. Houseman and Henry Gamble.

Detroit—Ivory, Brooks, Kauffman, Inc. Trucking and transfer. Capital, \$100,000. Incorporators, John F. Ivory, who is president of the John F. Ivory Storage Co., Inc.; George M. Brooks and Abram L. Kauffman.

Grand Rapids—Western Michigan Transportation Co. General business as common carrier by motor truck. Capital, 62,500 shares of no par value common stock. Incorporators, Cornelius A. Bishop and Louis J. Kline, Grand Rapids, and Paul Scholten, Holland.

Jackson—Detroit, Jackson & Chicago Trucking Co. Capital, 1000 shares of no par value stock. Incorporators, Seabourn R. Livingstone, E. A. MacDonald and Charles R. Dunn.

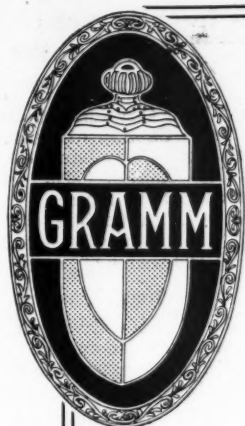
New Jersey

East Orange—Blue Line Moving Co., organized. Leonard O. Lindsay heads the firm.

New York

New York City—Atlantic States Trucking Corporation. Capital, \$20,000. Principal incorporator, H. O. Burden.

(Concluded on page 60)



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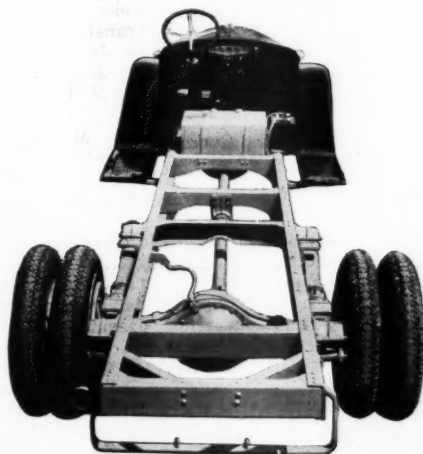
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WHEN WRITING ADVERTISERS MENTION DISTRIBUTION AND WAREHOUSING

Construction, Removals, Purchases and Changes

(Concluded from page 58)

transfer service, with automobile garage, at 109 Seventh Street, S. E.

Mississippi

Drew—Federal Compress & Warehouse Co. will erect a \$60,000 one-story warehouse and compress, 200 by 300 feet.

Holly Springs—Federal Compress & Warehouse Co. plans construction of a \$60,000 one-story warehouse and compress, 200 by 300 feet.

Jackson—Arrow Freight Lines, Inc., has applied for permission to operate a motor freight line from Memphis to Jackson.

Missouri

Kansas City—Adams Transfer & Storage Co. is planning construction of a \$400,000 six-story warehouse.

Montana

Butte—Christie Transfer & Storage Co. is the newly-adopted name of the Montana Transfer Co. Kenneth Christie is president.

New Jersey

Newark—A company is being formed to construct and operate a \$1,000,000 eight-story warehouse and freight terminal at Ogden and Gouvenour Streets. Richard W. Tietjen, a New York engineer, is associated with the project.

New York

New York City—New York Central Railroad Co. has taken out a permit for a \$700,000 five-story warehouse, 120 by 225 feet, at 127-133 Marble Hill Avenue extending to West 228th Street.

New York City—Walters Warehouse, Inc., has sold to the New York Central Railroad Co. the five-story warehouse at 528-530 Washington Street.

Roosevelt—Roosevelt Storage Corporation has arranged for change of company name to Freeport-Roosevelt Storage Corporation.

Ohio

Cleveland—Fargo Gordon Express Co., Ashtabula, has merged with the Knutsen Motor Trucking Co., Cleveland.

Columbus—Hocking Valley Railroad Co. is having plans drawn for a \$350,000 warehouse and freight terminal.

Dayton—General Motors Transportation Co. is said to be considering construction of a \$200,000 truck terminal building.

Pennsylvania

Harrisburg—United Ice & Coal Co. has plans for a \$50,000 cold storage warehouse and ice plant in the Penbrook section.

Lancaster—Lancaster Storage Co. has plans for a \$35,000 addition on North Market Street.

Philadelphia—Reading Co. will erect a \$50,000 one-story warehouse and freight building.

Rhode Island

Providence—Cole Teaming Warehouse

Co. has filed plans for an \$18,000 one-story garage and service building, 50 by 100 feet, at 230 India Street.

Tennessee

Columbia—Lex Watson, retail furniture dealer, has purchased a lot on Cemetery Avenue and will build a household goods warehouse early in 1930.

Nashville—Union Transfer Co. has filed plans for a \$60,000 one-story automobile service, repair and garage building, 65 by 170 feet.

Texas

Bartlett—Bartlett Transfer Co. has secured permission from the State Railroad Commission to operate a motor freight line from Bartlett by way of Taylor to Waco and Austin.

Corpus Christi—Crocker Transfer & Storage Co. is constructing a \$20,000 one-story warehouse, 80 by 120 feet, at Galivan and Aubrey Streets.

Port Arthur—Consumers Ice & Coal Co. is completing plans for a \$70,000 cold storage warehouse and ice plant.

San Antonio—Merchants' Ice & Storage Co. is having plans drawn for a \$75,000 additional cold storage warehouse.

Utah

Salt Lake City—Utah Poultry Producers' Association is planning a \$150,000 six-story and basement warehouse with cold storage division.

Virginia

Timberville—Natural Cold Storage, Inc., is said to be planning a \$40,000 addition to its cold storage warehouse.

Washington

Auburn—Ice Delivery Co. is considering construction of a \$50,000 addition to its cold storage warehouse and ice plant.

Linton—Northwest Terminals, Inc., has plans for a \$200,000 storage building.

Seattle—Northwest Terminals, Inc., has plans for a \$300,000 storage building on Harbor Island.

West Virginia

Morgantown—North Pole Ice Co. has plans for a \$50,000 two-story and basement cold storage warehouse and ice plant.

Wisconsin

Milwaukee—Paul Kortsch Storage Co., Inc., is erecting a concrete and brick five-story addition, 40 by 90 feet at 475 Maryland Avenue.

Milwaukee—United Fireproof Warehouse Co. has plans for a \$14,000 one-story addition and is altering and improving its present plant.

Superior—Great Lakes Coal & Dock Co. plans erection of a dock, with storage warehouse facilities, at a cost of upwards \$350,000.

Hitch Your Warehouse to a Star

THE national distributor will look for the Star when consulting the 1929 Warehouse Directory in selecting points for storage. Will your listing be Starred next year? It will be if you notaried the information you returned.

New Incorporations Within the Industry

(Concluded from page 58)

New York City—Boston Road Moving Van, Inc. Capital, \$100,000.

New York City—Lakeview Express & Van Co. Capital, \$500. Principal incorporator, J. R. Jones.

Utica—Utica Carting & Storage Co. Storage warehousing and express. Capital, 500 shares of no par value stock.

North Carolina

Rocky Mount—City Ice Co., Inc. Cold storage warehouse and ice plant. Capital, \$100,000. Incorporators, R. H. Gay and W. L. Thorp.

Ohio

Cleveland—Inland Forwarding Co. Capital, 250 shares of no par value stock. Incorporators, Theodore J. Rodman, Harold T. Rodman and N. G. Rodman.

Cleveland—Scott Storage, Inc. Capitalization, 500 shares of no par value stock. Incorporators, O. L. Scott, president of the Scott Bros. Fireproof Storage Co.; T. J. Moffett and C. E. Schultz.

Toledo—National Motor Transport, Inc. Chartered with capital of \$50,000 and with authority to issue 1000 shares of no par common stock. Corporation merges three large trucking units with \$1,000,000 worth of business and equipment. James A. Beidler heads the company and Charles E. Baker is traffic manager.

Pennsylvania

Philadelphia—Glenwood Storage Warehouse Co. Storage warehouse and van service. Capital, \$5,000. Samuel Snyder is treasurer.

Texas

Crosby—Crosby Ice & Cold Storage Co. Cold storage warehouse. Capital, \$30,000. I. C. Krenek heads the firm.

Del Rio—Park Freight Line, Inc. Capital, \$4,000. Incorporators, J. A. Park and M. Walker.

Bankers Co. Succeeds Market Firm in Boston

The Bankers Warehouse Co., organized in Boston recently with Clifton L. Bremer as president, is carrying on the business formerly conducted by the Market Warehouse Co., at 30 Farnsworth Street. John Hageman, who was secretary and operating executive of the Market organization, is vice-president and general manager of the new firm, which has free and bonded space in, and conducts a pool car distribution business from, the Farnsworth Street building.

The former owner of the warehouse organized the Bankers company and has transferred the building to it. The structure is being overhauled and placed in first class condition. The company starts out with assets of \$175,000 and with no liabilities except current bills, according to Mr. Hageman.

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